

2015

**EXHIBIT** 37  
3/13/15  
W. Ramsey  
Tobler

Warren Rural Electric Cooperative Corporation

\_\_\_\_\_  
Name of Organization

951 Fairview Avenue Bowling Green, KY 42102-1118

\_\_\_\_\_  
Address

Tennessee Valley Authority  
1101 Market Street  
Chattanooga, Tennessee 37402-2801

Gentlemen:

We are transmitting herewith our annual report for the year ended June 30, 2010. The report is in agreement with the books of account, and to the best of our knowledge and belief the statements therein contained are true and correctly reflect the financial condition at June 30, 2010, and the results of our electric operations for the year ended on that date.

Our books of account have been kept in accordance with the provisions of the power contract between this organization and the Tennessee Valley Authority, and are consistent with the requirements of the Federal Energy Regulatory Commission's system of accounts.

(Signed)

\_\_\_\_\_  
Heather Foley

Accountant in charge of books

\_\_\_\_\_  
Gary Dillard

Manager

\_\_\_\_\_  
Date transmitted

TVA Act of 1933

In fulfilling the responsibilities of the TVA Act of 1933 [16 U.S.C. #831i and 831n-4(f)], TVA requires each distributor to provide certain financial and accounting information to TVA to ensure that electric power produced by TVA is being sold at rates which are as low as feasible. This form (TVA 3957) is for that purpose.

Public reporting burden for this collection of information is estimated to vary from ten to forty hours per response, with an average of nineteen hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Agency Clearance Officer, Tennessee Valley Authority, 1101 Market Street, Chattanooga, TN 37402; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

**Warren Rural Electric Cooperative Corporation**  
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

BALANCE SHEET				
ASSETS AND OTHER DEBITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
<b>UTILITY PLANT</b>				
Electric Plant. ....	10	1	228,384,270.49	221,895,125.80
Less Depreciation. ....	10	2	91,767,038.80	87,011,446.53
<b>Total.</b> ....	10	3	136,617,231.69	134,883,679.27
Unamortized acq. adj. ....	13	4		
Other utility plant - net. ....	----	5		
<b>Total Plant - net.</b> ....	----	6	136,617,231.69	134,883,679.27
<b>OTHER PROPERTY AND INVESTMENTS</b>				
Nonutility property - net. ....	15	7		
Other investments. ....	14	8	6,255,683.93	5,803,120.20
Sinking funds. ....	15	9		
Depreciation funds. ....	15	10		
Other special funds. ....	15	12	58,859.11	46,859.11
<b>Total.</b> ....	----	13	6,314,543.04	5,849,979.31
<b>CURRENT AND ACCRUED ASSETS</b>				
General cash and temporary cash investments. ....	14	14	16,483,342.08	8,187,061.46
Accounts receivable. ....	16	15	15,008,606.06	14,684,351.77
Materials and supplies. ....	17	16	2,954,600.85	4,054,633.54
Prepayments. ....	17	17	337,831.53	624,041.13
Other current assets. ....	17	18	354,107.73	316,760.67
<b>Total.</b> ....	----	19	35,138,488.25	27,866,848.57
<b>DEFERRED DEBITS</b>				
Debt expense. ....	17	20		
Preliminary survey. ....	----	21		
Clearing accounts. ....	----	22	7,033.92	731.06
Energy Service Loans Receivables. ....	----	24	12,181.94	33,014.30
Deferred costs on TVA Leases. ....	17	25		
Other deferred debits. ....	17	26	633,399.60	670,172.05
<b>Total.</b> ....	----	27	652,615.46	703,917.41
<b>TOTAL ASSETS AND OTHER DEBITS.</b> .....	----	28	178,722,878.44	169,304,424.56
<b>LIST UNRECORDED AND CONTINGENT ASSETS AND LIABILITIES OTHER THAN ACCRUED UTILITY REVENUE AND UNBILLED PURCHASED POWER</b>				

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

<b>BALANCE SHEET</b>				
<b>LIABILITIES AND OTHER CREDITS</b>	SEE PAGE NO	ITEM NO	<b>JUNE 30</b>	
			THIS YEAR	LAST YEAR
<b>CAPITAL</b>				
Membership certificates . . . . .	----	30	609,792.10	607,922.10
<b>EARNINGS REINVESTED IN SYSTEM ASSETS</b>				
Beginning of year . . . . .	----	33	51,484,368.87	49,241,812.44
Current year . . . . .	3	34	4,780,441.93	2,242,556.43
<b>Total</b> . . . . .	----	35	56,264,810.80	51,484,368.87
<b>LONG-TERM DEBT</b>				
RUS . . . . .	23	36	56,800,790.99	54,161,239.16
CFC . . . . .	23	37	4,462,796.20	5,063,308.89
CoBank . . . . .	23	38	4,476,010.77	8,760,028.87
Bonds and other long-term debt . . . . .	25	39.1	15,397,760.95	11,644,540.01
TVA . . . . .	25	39.3		
Debt premium and discount . . . . .	----	40		
<b>Total</b> . . . . .	----	41	81,137,358.91	79,629,116.93
<b>OTHER NON-CURRENT LIABILITIES</b>				
Postretirement Benefits . . . . .	25	39.2	2,434,430.11	2,737,943.11
Energy Service Loans - Advances . . . . .	----	42	13,481.05	36,488.27
Energy Service Loans - Other . . . . .	----	43		
<b>Total</b> . . . . .	----	44	2,447,911.16	2,774,431.38
<b>CURRENT AND ACCRUED LIABILITIES</b>				
TVA notes payable . . . . .	26	45.1		
Other notes payable . . . . .	26	45.2	8,853,942.84	18,576,759.68
Accounts payable . . . . .	26	46	22,659,151.73	9,823,584.95
Customer deposits . . . . .	26	47	2,434,397.50	2,113,181.83
Taxes and equivalents accrued . . . . .	29	48	891,830.07	828,086.73
Interest accrued - RUS . . . . .	23	49	6,739.79	7,736.02
Interest accrued - CFC . . . . .	23	50	24,385.48	30,133.24
Interest accrued - CoBank . . . . .	23	51	31,307.65	81,444.22
Interest accrued - TVA . . . . .	26	52.1		
Interest accrued - other . . . . .	26	52.2		
Other current liabilities . . . . .	26	53	2,774,321.78	2,823,167.84
<b>Total</b> . . . . .	----	54	37,676,076.84	34,284,094.51
<b>DEFERRED CREDITS</b>				
Advances for construction - refundable . . . . .	18	55	264,854.70	254,678.33
Other deferred credits . . . . .	26	56	322,073.93	269,812.44
<b>Total</b> . . . . .	----	57	586,928.63	524,490.77
<b>TOTAL LIABILITIES AND OTHER CREDITS . . . . .</b>	----	58	178,722,878.44	169,304,424.56

**Warren Rural Electric Cooperative Corporation**  
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

REVENUE AND EXPENSE STATEMENT	SEE PAGE NO	ITEM NO	THIS YEAR	LAST YEAR
<b>OPERATING REVENUE</b>				
Electric sales revenue (page 7, item 332) . . . . .	----	59	157,475,346.80	162,563,757.17
Revenue from late payments . . . . .	----	60	1,065,795.42	1,247,798.30
Misc. service revenue . . . . .	----	61	1,149,449.27	963,071.52
Rent from electric property . . . . .	----	62	1,080,705.93	967,904.37
Other electric revenue . . . . .	----	63	54,999.04	21,655.60
<b>Total operating revenue . . . . .</b>	----	64	<b>160,826,296.46</b>	<b>165,764,186.96</b>
<b>PURCHASED POWER</b>				
<b>Total power cost (page 7, item 342) . . . . .</b>	7	65	<b>120,906,858.48</b>	<b>127,786,270.62</b>
<b>OPERATION EXPENSE</b>				
Transmission expense . . . . .	5	66	193,243.18	156,841.86
Distribution expense . . . . .	5	67	5,382,074.18	4,862,323.78
Customer accounts expense . . . . .	5	68	3,269,160.90	3,019,529.23
Customer service and informational expense . . . . .	5	69	460,744.14	569,193.65
Sales expense . . . . .	5	70	261,032.74	277,979.17
Administrative and general expense . . . . .	6	71	4,976,378.64	5,098,592.47
<b>Operation expense . . . . .</b>	6	72	<b>14,542,633.78</b>	<b>13,984,460.16</b>
<b>MAINTENANCE EXPENSE</b>				
Transmission expense . . . . .	6	73	283,248.84	333,732.32
Distribution expense . . . . .	6	74	5,050,616.75	5,679,617.79
Administrative and general expense . . . . .	6	75	243,722.53	252,551.66
<b>Maintenance expense . . . . .</b>	6	76	<b>5,577,588.12</b>	<b>6,265,901.77</b>
<b>OTHER OPERATING EXPENSE</b>				
Depreciation expense . . . . .	12	77	7,212,571.27	7,130,009.06
Amortization of acquisition adjustment . . . . .	13	78		
Taxes and tax equivalents . . . . .	29	79	4,186,488.82	4,605,906.01
<b>Other operating expense . . . . .</b>	----	80	<b>11,399,060.09</b>	<b>11,735,915.07</b>
<b>TOTAL OPERATING EXPENSE AND PURCHASED POWER . . . . .</b>	----	81	<b>152,426,140.47</b>	<b>159,772,547.62</b>
<b>INCOME</b>				
Operating income (item 64, less item 81) . . . . .	----	82	8,400,155.99	5,991,639.34
Other income . . . . .	16	83	1,189,080.69	1,159,783.16
<b>Total income . . . . .</b>	----	84	<b>9,589,236.68</b>	<b>7,151,422.50</b>
Miscellaneous income deductions . . . . .	16	85	37,003.49	36,135.00
<b>Net income before debt expense . . . . .</b>	----	86	<b>9,552,233.19</b>	<b>7,115,287.50</b>
<b>DEBT EXPENSE</b>				
Interest on long-term debt - RUS . . . . .	23	87	3,019,321.32	3,095,190.97
Interest on long-term debt - CFC . . . . .	23	88	338,441.19	531,832.19
Interest on long-term debt - CoBank . . . . .	23	89	665,860.97	826,504.75
Interest on long-term debt - other . . . . .	26	90.1	613,119.43	289,675.10
Interest - TVA . . . . .	26	90.2		
Other interest expense . . . . .	----	92	135,048.35	129,528.06
Amortization of debt discount and expense . . . . .	----	93		
Amortization of premium on debt - credit . . . . .	----	94		
<b>Total debt expense . . . . .</b>	----	95	<b>4,771,791.26</b>	<b>4,872,731.07</b>
<b>NET INCOME</b>				
Net income before extraordinary items (item 86, less item 95) . . . . .	----	96	4,780,441.93	2,242,556.43
Extraordinary items . . . . .	33	97		
<b>Net Income . . . . .</b>	2	98	<b>4,780,441.93</b>	<b>2,242,556.43</b>

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

<b>STATEMENT OF CASH FLOWS</b>		
Increase (Decrease) in Cash and Cash Equivalents		
	THIS YEAR	LAST YEAR
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Net Income .....	4,780,441.93	2,242,556.43
<b>Adjustments to Reconcile Net Income to Net Cash:</b>		
Depreciation .....	7,742,647.46	7,617,822.26
<b>Amortization of:</b>		
Acquisition Adjustment .....		
Additions to TVA Leases .....		
Debt Premium or Discount .....		
(Gain) or Loss on Sale of Plant .....		
<b>Changes in Current and Deferred Items:</b>		
Accounts Receivable .....	(324,254.29)	(9,430,286.87)
Materials and Supplies .....	1,100,032.69	(2,012,250.01)
Prepayments and Other Current Assets .....	248,862.54	14,995.15
Deferred Debits .....	30,469.59	62,771.50
Accounts Payable .....	12,835,566.78	(169,980.41)
Customer Deposits .....	321,215.67	(34,211.59)
Taxes and Interest Accrued .....	6,862.78	62,949.77
Other Current Liabilities .....	(48,846.06)	508,822.56
Deferred Credits .....	62,437.86	105,595.69
Other .....		
<b>Net Cash Provided by (Used in) Operating Activities .....</b>	<b>26,755,436.95</b>	<b>(1,031,215.52)</b>
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:</b>		
Additions to Plant .....	(8,822,090.26)	(12,172,156.70)
Removal Cost .....	(836,541.50)	(1,418,898.66)
Salvage .....	182,431.88	89,310.01
Net Change in Other Property and Investment .....	(464,563.73)	(963,593.13)
Energy Service Loans Receivable .....	20,832.36	33,729.74
Plant Sold (Purchased) - Noninstallment Method .....		
Deferred Costs on TVA Leases (excluding amortization) .....		
Other .....		
<b>Net Cash Provided by (Used in) Investing Activities .....</b>	<b>(9,919,931.25)</b>	<b>(14,431,608.74)</b>
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Additional Long-Term Borrowings .....	4,050,000.00	8,424,640.38
Payment of Principal on Long-Term Debt .....	(2,541,758.02)	(3,393,715.67)
Notes Payable .....	(9,722,816.84)	11,164,782.47
Memberships .....	1,870.00	2,272.51
Energy Service Loans Advances .....	(23,007.22)	(31,643.64)
Receipt for Plant Sold - Installment Method .....		
Payment for Plant Purchased - Installment Method .....		
Other .....	(303,513.00)	137,227.00
<b>Net Cash Provided by (Used in) Financing Activities .....</b>	<b>(8,539,225.08)</b>	<b>16,303,563.05</b>
<b>NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS ..</b>	<b>8,296,280.62</b>	<b>840,738.79</b>
<b>CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR .....</b>	<b>8,187,061.46</b>	<b>7,346,322.67</b>
<b>CASH AND TEMPORARY INVESTMENTS END OF YEAR .....</b>	<b>16,483,342.08</b>	<b>8,187,061.46</b>

NOTE: Cash and Temporary Cash Investments include cash on hand and in demand deposits, and those investments which are generally a part of the power distributor's short-term cash management activities.

# Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
<b>OPERATING EXPENSE</b>					
<b>1. TRANSMISSION</b>					
560	Supervision and engineering. ....	11,321.89	10,244.18	7,628.30	7,116.63
561	Load dispatching. ....				
562	Station expense. ....	70,881.17	57,457.17	14,163.75	5,163.80
563	Overhead line expense. ....	111,040.12	89,140.51	19,524.95	7,793.21
564	Underground line expense. ....				
566	Miscellaneous. ....				
567	Rents. ....				
(600)	<b>Total transmission operating expense (page 3, item 66)</b>	<b>193,243.18</b>	<b>156,841.86</b>	<b>41,317.00</b>	<b>20,073.64</b>
<b>2. DISTRIBUTION</b>					
580	Supervision and engineering. ....	213,631.39	170,757.30	168,762.75	140,480.66
581	Load dispatching. ....				
582	Station expense. ....	299,735.85	265,891.04	26,974.63	56,809.87
583	Overhead line expense. ....	1,519,066.95	1,438,262.34	422,543.37	351,997.60
584	Underground line expense. ....	314,992.54	194,557.78	137,607.91	75,018.37
585	Street lighting and signal system expense. ....	47,870.24	42,951.08	13,431.84	11,846.46
586	Meter expense. ....	718,137.06	553,400.18	357,693.23	234,451.60
587	Customer installation expense. ....	519,984.48	521,597.62	220,646.75	227,520.65
588	Miscellaneous. ....	1,645,224.81	1,571,391.94	864,412.12	849,872.53
589	Rents. ....	103,430.86	103,514.50		
(605)	<b>Total distribution operating expense (page 3, item 67).</b>	<b>5,382,074.18</b>	<b>4,862,323.78</b>	<b>2,212,072.60</b>	<b>1,947,997.74</b>
<b>3. CUSTOMER ACCOUNTS EXPENSE</b>					
901	Supervision. ....	121,096.66	112,982.68	81,642.52	78,534.12
902	Meter reading expense. ....	530,515.02	477,391.12	211,691.58	166,261.12
903	Customer records and collection expense. ....	2,286,407.33	2,093,157.56	1,101,122.94	1,006,165.63
904	Uncollectible accounts. ....	331,141.89	335,997.87		
905	Miscellaneous. ....				
(610)	<b>Total customer accounts expense (page 3, item 68).</b>	<b>3,269,160.90</b>	<b>3,019,529.23</b>	<b>1,394,457.04</b>	<b>1,250,960.87</b>
<b>4. CUSTOMER SERVICES &amp; INFORMATIONAL EXPENSE</b>					
907	Supervision. ....				
908	Customer assistance expense. ....	383,221.70	485,790.22	234,464.83	278,004.36
909	Informational and instructional advertising expense. ....	77,522.44	83,403.43		
910	Miscellaneous customer service and informational expense. ....				
(615)	<b>Total customer services and informational expense (page 3, item 69).</b>	<b>460,744.14</b>	<b>569,193.65</b>	<b>234,464.83</b>	<b>278,004.36</b>
<b>5. SALES EXPENSE</b>					
911	Supervision. ....				
912	Demonstrating and selling expense. ....	250,557.74	277,346.63	72,854.73	64,773.01
913	Advertising expense. ....	10,475.00	632.54		
916	Miscellaneous. ....				
(620)	<b>Total sales expense (page 3, item 70).</b>	<b>261,032.74</b>	<b>277,979.17</b>	<b>72,854.73</b>	<b>64,773.01</b>

# Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
<b>6. ADMINISTRATIVE &amp; GENERAL</b>					
920	Administrative and general salaries.....	2,295,206.21	2,138,979.07	1,503,474.55	1,423,264.59
921	Office supplies and expense.....	877,500.31	912,154.82	29,962.73	26,426.89
922	Administrative expense transferred - credit*.....				
923	Outside services employed.....	197,836.98	165,510.22		
924	Property insurance.....	1,177.25		803.10	
925	Injuries and damages.....	251,210.80	221,735.83	100,888.05	76,840.46
926	Employee pensions and benefits.....	287,478.29	579,936.86	118,754.61	102,326.07
927	Franchise requirements*.....				
928	Regulatory commission expense*.....				
929	Duplicate charges - credit.....	(44,083.97)	(54,077.78)		
930	Miscellaneous general expense.....	1,110,052.77	1,134,353.45	92,002.21	115,838.35
931	Rents.....				
(625)	<b>Total administrative and general expense (page 3, item 71).....</b>	<b>4,976,378.64</b>	<b>5,098,592.47</b>	<b>1,845,885.25</b>	<b>1,744,696.36</b>
(630)	<b>Total operating expense (Page 3 Item 72).....</b>	<b>14,542,633.78</b>	<b>13,984,460.16</b>	<b>5,801,051.45</b>	<b>5,306,505.98</b>
<b>MAINTENANCE EXPENSE</b>					
<b>1. TRANSMISSION</b>					
568	Supervision and engineering.....				
569	Maintenance of structures.....				
570	Maintenance of station equipment.....	39,217.90	193,107.33	5,203.16	2,360.12
571	Maintenance of overhead lines.....	244,030.94	140,624.99	36,586.90	51,173.99
572	Maintenance of underground lines.....				
573	Miscellaneous.....				
(635)	<b>Total transmission maintenance expense (page 3, item 73).....</b>	<b>283,248.84</b>	<b>333,732.32</b>	<b>41,790.06</b>	<b>53,534.11</b>
<b>2. DISTRIBUTION</b>					
590	Supervision and engineering.....	169,724.95	150,967.78	114,315.87	104,815.59
591	Maintenance of structures.....				
592	Maintenance of station equipment.....	431,858.27	358,972.62	233,226.78	167,483.10
593	Maintenance of overhead lines.....	4,149,599.30	4,942,025.05	1,185,436.52	1,204,608.81
594	Maintenance of underground lines.....	79,464.20	51,659.24	42,841.19	26,891.74
595	Maintenance of line transformers.....	147,131.72	128,440.86	68,194.71	66,286.23
596	Street lighting and signal systems.....	71,646.35	45,521.89	27,083.91	18,767.60
597	Maintenance of meters.....	1,191.96	2,030.35	864.25	769.20
598	Maintenance of miscellaneous distribution plant.....				
(640)	<b>Total distribution maintenance expense (page 3, item 74).....</b>	<b>5,050,616.75</b>	<b>5,679,617.79</b>	<b>1,671,963.23</b>	<b>1,589,622.27</b>
<b>3. ADMINISTRATIVE &amp; GENERAL</b>					
935	Maintenance of general plant (page 3, items 75).....	243,722.53	252,551.66	45,779.79	40,903.11
(645)	<b>Total maintenance expense (page 3, item 76).....</b>	<b>5,577,588.12</b>	<b>6,265,901.77</b>	<b>1,759,533.08</b>	<b>1,684,059.49</b>
(650)	<b>Total operating and maintenance expense.....</b>	<b>20,120,221.90</b>	<b>20,250,361.93</b>	<b>7,560,584.53</b>	<b>6,990,565.47</b>
(655)	Total direct and indirect payroll charged to construction and retirements.....			2,043,227.61	2,112,274.22
(660)	Payroll charged to other accounts.....			1,153,110.02	2,255,396.65
(662)	Fiscal year net change in accrued leave account - (increase) decrease.....			44,301.23	(122,046.18)
(665)	<b>Total payroll distribution for year.....</b>			<b>10,801,223.39</b>	<b>11,236,190.16</b>

\*FURNISH DETAILS OF THESE ACCOUNTS ON PAGES 32 AND 33.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

STATISTICAL DATA						
CLASS OF SERVICE	ITEM NO	REVENUE		ITEM NO	KILOWATT-HOURS SOLD	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Residential.....	100	75,647,185.58	82,354,994.06	107	851,935,567	806,387,848
Gen. Power - 50 kW & under.....	101	10,745,221.45	11,231,695.81	108	97,650,972	91,441,123
Gen. Power - Over 50 kW.....	102	58,606,083.97	66,131,555.44	109	809,502,358	781,617,658
Street and athletic.....	103	1,092,095.60	1,106,593.72	110	6,393,446	5,787,992
Outdoor lighting.....	104	1,767,843.10	1,738,918.14	111	14,369,211	14,045,763
<b>Subtotal.....</b>	<b>330</b>	<b>147,858,429.70</b>	<b>162,563,757.17</b>			
Unbilled revenue*.....	331	9,616,917.10				
<b>Total (page 3, item 59).....</b>	<b>332</b>	<b>157,475,346.80</b>	<b>162,563,757.17</b>	<b>335</b>	<b>1,779,851,554</b>	<b>1,699,280,384</b>
Kilowatt-hours for own use.....				113	650,939	630,888
<b>Total kilowatt-hours sold and used.....</b>				<b>114</b>	<b>1,780,502,493</b>	<b>1,699,911,272</b>
Kilowatt-hours in unbilled revenue (items 331) above*... ..				336	107,010,269	

STATE	SALES TAX	TO ABOVE CLASSES OF REVENUE	CREDITS	GREEN POWER REVENUE
KY	3,385,527.29	Residential.....		1,432.00
		Gen. Power - 50 kW & under.....		240.00
		Gen. Power - Over 50kW....	3,332,868.20	
<b>Total</b>	<b>3,385,527.29</b>			

PURCHASED POWER						
TVA	ITEM NO	AMOUNT		ITEM NO	KILOWATT-HOURS PURCHASED	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Purchased Power.....	115	120,612,407.28	127,553,737.26	119	1,935,640,643	1,792,207,662
Facilities Rental.....	116	294,451.20	232,533.36			
Other Charges/Credits.....	117					
<b>Total from TVA.....</b>	<b>118</b>	<b>120,906,858.48</b>	<b>127,786,270.62</b>	<b>122</b>	<b>1,935,640,643</b>	<b>1,792,207,662</b>
Other Purchased Power**.....	218			222		
<b>Subtotal.....</b>	<b>340</b>	<b>120,906,858.48</b>	<b>127,786,270.62</b>			
Unbilled Purchases*.....	341					
<b>Total (page 3, item 65).....</b>	<b>342</b>	<b>120,906,858.48</b>	<b>127,786,270.62</b>	<b>345</b>	<b>1,935,640,643</b>	<b>1,792,207,662</b>
Less kilowatt hours sold and used (item 114).....				123	1,780,502,493	1,699,911,272
Line losses and kilowatt-hours unaccounted for.....				124	155,138,150	92,296,390
Percent of losses to purchases (2 decimal places).....				125	8.02	5.15
Kilowatt-hours in unbilled purchases (Item 341) above*... ..				346		

\*\*Purchased other power under contract number \_\_\_\_\_ from \_\_\_\_\_

NUMBER OF CUSTOMERS			MISCELLANEOUS DATA		
CLASS OF SERVICE	MONTH OF JUNE		Pole Line Miles: (2 decimal places) (715)	THIS YEAR	LAST YEAR
	THIS YEAR	LAST YEAR			
Residential..... (675)	49,667	49,467	Individual Outdoor Lts.		
Gen. Power - 50 kW & under... (680)	9,217	9,010	No. in plant..... (720)	20,173	19,800
Gen. Power - Over 50 kW.... (685)	669	661	Total investment..... (725)	5,146,608.61	5,051,499.01
Street and athletic..... (690)	213	216	O&M expense..... (730)	120,660.64	131,013.25
Outdoor Lighting - Excl. Code 77..... (693)	226	231	St. Ltg-Invest. Base... (735)	3,949,109.72	3,778,485.49
<b>Total..... (695)</b>	<b>59,992</b>	<b>59,585</b>	O&M expense..... (740)	119,516.59	88,472.97
Outdoor Lighting - Code 77... (697)	12,605	12,570	Lamps & Glassware... (745)	1,490.02	1,103.00

\*Item nos. 331, 336, 341, and 346 are to be filled in only if distributor chooses the option to estimate unbilled electric sales.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

<b>MODIFIED STREET LIGHTING COMPUTATION</b>				
Give computation of modified street lighting rate relative to lamps and glassware by customers, if applicable:				
TOWN	COST OF LAMPS AND GLASSWARE	KWH FROM STAT. REPT.	ALLOWANCE KWH X .003	EXCESS TO BE BILLED
	TOTAL:			

**Warren Rural Electric Cooperative Corporation**

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

<b>ELECTRIC PLANT</b>							
ACCT. NO.		BALANCE			RECLASSIFICATIONS		BALANCE END OF YEAR
		BEG. OF YEAR	ADDITIONS	RETIREMENTS	DEBIT	CREDIT	
	<b>INTANGIBLE</b>						
301	Organization. ....						
302	Franchises and consents. ....						
303	Miscellaneous. ....						
(750)	<b>Total intangible. ....</b>						
	<b>PRODUCTION</b>						
755	<b>Total production. ....</b>						
	<b>TRANSMISSION</b>						
350	Land and land rights. ....	2,973,538.48					2,973,538.48
351	Clearing land and rights of way. ....						
352	Structures and improvements. ....						
353	Station equipment. ....	8,037,030.36	31,304.38				8,068,334.74
354	Towers and fixtures. ....	68,716.20					68,716.20
355	Poles and fixtures. ....	7,209,363.13	325,597.86	53,192.39			7,481,768.60
356	Overhead conductors and devices. ....	3,302,717.93					3,302,717.93
357	Underground conduit. ....						
358	Underground conductors and devices. ....						
359	Roads and trails. ....						
(760)	<b>Total transmission. ....</b>	<b>21,591,366.10</b>	<b>356,902.24</b>	<b>53,192.39</b>			<b>21,895,075.95</b>
	<b>DISTRIBUTION</b>						
360	Land and land rights. ....	322,855.40	90,017.00				412,872.40
361	Structures and improvements. ....						
362	Station equipment. ....	20,637,011.23	2,239,706.92	87,158.41			22,789,559.74
363	Storage battery equipment. ....						
364	Poles, towers, and fixtures. ....	49,560,838.77	2,098,961.47	719,082.95			50,940,717.29
365	Overhead conductors and devices. ....	25,301,102.69	734,812.99	177,138.84			25,858,776.84
366	Underground conduit. ....						
367	Underground conductors and devices. ....	10,475,286.74	329,284.72	10,920.88			10,793,650.58
368	Line transformers. ....	31,585,163.32	1,073,828.52	345,594.99			32,313,396.85
369	Services. ....	19,935,657.67	770,928.08	239,166.20			20,467,419.55
370	Meters. ....	8,683,700.85	219,915.49	214,990.19			8,688,626.15
371	Inst. on customers' premises. ....	5,051,499.01	153,585.42	58,475.82			5,146,608.61
372	Leased prop. on cust. premises. ....						
373	St. lighting and signal systems. ....	3,778,485.49	194,327.85	23,703.62			3,949,109.72
(765)	<b>Total distribution. ....</b>	<b>175,331,601.17</b>	<b>7,905,368.46</b>	<b>1,876,231.90</b>			<b>181,360,737.73</b>

**Warren Rural Electric Cooperative Corporation**

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCT. NO.	ELECTRIC PLANT					BALANCE END OF YEAR
	BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		
				DEBIT	CREDIT	
<b>GENERAL</b>						
389	Land and land rights.....	257,766.77				257,766.77
390	Structures and improvements.....	7,048,508.34	190,339.03	5,486.72		7,233,360.65
391	Office furniture and equipment.....	2,249,425.35	43,966.03	20,955.62		2,272,435.76
392	Transportation equipment.....	5,624,399.78	522,438.51	367,921.32		5,778,916.97
393	Stores equipment.....					
394	Tools, shop, and garage equip.....	698,391.11	63,751.32			762,142.43
395	Laboratory equipment.....	192,434.59	83,997.58			276,432.17
396	Power operated equipment.....	244,893.27	151,527.00			396,420.27
397	Communication equipment.....	2,542,909.66	164,143.21			2,707,052.87
398	Miscellaneous equipment.....	333,919.83	38,621.94	9,157.62		363,384.15
399	Other tangible property.....					
(770)	<b>Total general.....</b>	<b>19,192,648.70</b>	<b>1,258,784.62</b>	<b>403,521.28</b>		<b>20,047,912.04</b>
101	<b>Total plant in service.....</b>	<b>216,115,615.97</b>	<b>9,521,055.32</b>	<b>2,332,945.57</b>		<b>223,303,725.72</b>
102	Electric plant purchased or sold.....					
104	Electric plant leased to others.....					
105	Electric plant for future use.....					
107	Construction work in progress.....	5,779,509.83	(698,965.06)			5,080,544.77
(775)	<b>Total other electric plant.....</b>	<b>5,779,509.83</b>	<b>(698,965.06)</b>			<b>5,080,544.77</b>
(780)	<b>Total electric plant (page 1, item 1).....</b>	<b>221,895,125.80</b>	<b>8,822,090.26</b> (Item 140)	<b>2,332,945.57</b>		<b>228,384,270.49</b>
<b>RESERVES</b>						
108	Accumulated provision for depreciation of electric plant in service.....				91,767,038.80	
109	Accumulated provision for depreciation of electric plant leased to others.....					
110	Accumulated provision for depreciation of electric plant held for future use.....					
	<b>Total accumulated provision for depreciation (page 1, item 2 and page 11).....</b>				<b>91,767,038.80</b>	
	<b>Total electric plant, less accumulated provision for depreciation (page 1, item 3).....</b>					<b>136,617,231.69</b>

**Reclassification Columns**

Includes major corrections to prior years additions and retirements, transfers between accounts classified in prior years, and classification of plant purchased and/or sold.

**Explanations of entries shown in the Reclassification Columns:**

# Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCT. NO.	DEPR. RATE	BALANCE BEG. OF YEAR	ACCRUAL	ACCUMULATED PROVISION FOR DEPRECIATION (Page 10)			OTHER ENTRIES*		BALANCE END OF YEAR	% DEPR.
				ORIGINAL COST	REMOVAL COST	SALVAGE	DEBIT	CREDIT		
350		74,342.03							74,342.03	3
351										
352										
353	3.0	3,970,175.33	241,580.52						4,211,755.85	52
354	0	58,833.52							58,833.52	86
355	3.33	2,685,424.04	246,170.39	53,192.39	25,136.59	737.77			2,854,003.22	38
356	2.75	2,271,598.02	90,758.64						2,362,356.66	72
357										
358										
359										
<b>(785) TOTAL</b>		<b>9,060,372.94</b>	<b>578,509.55</b>	<b>53,192.39</b>	<b>25,136.59</b>	<b>737.77</b>			<b>9,561,291.28</b>	<b>44</b>
360										
361										
362	3.7	10,810,989.78	809,536.68	87,158.41	40,911.58	55,602.66			11,548,059.13	51
363										
364	3.00	16,907,639.19	1,508,267.32	719,082.95	368,368.70	10,981.94			17,339,436.80	34
365	2.50	8,840,767.32	638,492.28	177,138.84	78,703.78	2,622.95			9,226,039.93	36
366										
367	3.00	2,289,457.83	318,156.45	10,920.88	4,570.63	219.71			2,592,342.48	24
368	3.00	10,629,381.11	959,470.73	345,594.99	153,099.39	71,378.34			11,161,535.80	35
369	6.00	9,747,650.32	1,213,560.25	239,166.20	124,500.57	4,391.81			10,601,935.61	52
370	3.00	1,124,326.96	262,849.17	214,990.19					1,172,185.94	13
371	7.00	4,386,881.69	86,885.47	58,475.82	31,058.59	1,072.55			4,385,305.30	85
372										
373	7.00	2,012,839.35	273,393.95	23,703.62	10,191.67	485.66			2,252,823.67	57
<b>(790) TOTAL</b>		<b>66,749,933.55</b>	<b>6,070,612.30</b>	<b>1,876,231.90</b>	<b>811,404.91</b>	<b>146,755.62</b>			<b>70,279,664.66</b>	<b>39</b>
389										
390	3.00	3,183,258.64	216,301.56	5,486.72		1,111.00			3,395,184.48	47
391	various	1,883,529.93	141,685.39	20,955.62					2,004,259.70	88
392	various	3,035,214.82	530,076.19	367,921.32		32,900.00			3,230,269.69	56
393	0									
394	4.00	472,981.41	41,947.43						514,928.84	68
395	8.0	177,485.87	9,683.82						187,169.69	68
396	5.00	129,942.71	24,987.54						154,930.25	39
397	10.00	2,049,929.10	100,650.79						2,150,579.89	79
398	5.00	268,797.56	28,192.89	9,157.62		927.49			288,760.32	79
399										
<b>(795) TOTAL</b>		<b>11,201,140.04</b>	<b>1,093,525.61</b>	<b>403,521.28</b>		<b>34,938.49</b>			<b>11,926,082.86</b>	<b>59</b>
<b>(800) OTHER</b>										
<b>(805) TOTALS</b>		<b>87,011,446.53</b>	<b>7,742,647.46</b>	<b>2,332,945.57</b>	<b>836,541.50</b>	<b>182,431.88</b>			<b>91,767,038.80</b>	<b>41</b>

\*Use other entries to report depreciation on property purchased, classifying accruals, unusual entries - explain on page 33.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

<b>ACCUMULATED PROVISION FOR DEPRECIATION - CONTINUED</b>		
Depreciation expense (403 and 404) (page 3, item 77) . . . . .	(810)	7,212,571.27
Depreciation charged to transportation expense - clearing. . . . .	(815)	530,076.19
Depreciation charged to building expense - clearing. . . . .	(820)	
Depreciation charged to other accounts (list each account number). . . . .	(825)	
.....	(830)	
.....	(835)	
.....	(840)	
<b>Total accrual (page 11).</b> . . . . .	<b>(Item 128)</b>	<b>7,742,647.46</b>

Explanations (continue on page 33 if necessary)





**Warren Rural Electric Cooperative Corporation**

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	SPECIAL FUNDS				TOTAL OF ALL SPECIAL FUNDS
	ACCOUNT 125 TOTAL SINKING FUNDS	ACCOUNT 126 DEPRECIATION FUNDS	ACCOUNT 128 CONSTRUCTION FUNDS		
Cash included in fund end of year.....					
Investments in fund end of year (page 14).....				58,859.11	58,859.11
Balance of fund end of year (page 1).....				58,859.11	58,859.11
	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)		
Minimum balance required*.....					
Authority creating fund**				Other (Explain)	
<p>* Explain difference if fund balance is less than minimum required.                      ** State whether fund is required by bond contract, board action, etc.</p> <p>Total Sinking</p> <p>Depreciation</p> <p>Construction</p> <p>Other Director's Deferred Compensation</p> <p>Note: Report all debt service funds as sinking funds. Report all funds for renewals and replacements as depreciation funds.</p>					
<b>NONUTILITY PROPERTY (Account 121)</b>					
	DESCRIPTION AND LOCATION OF PROPERTY		DATE ACQUIRED	BOOK COST	NET INCOME (ACCOUNT 418)
Old WRECC Corporate Office Building	Bowling Green				66,604.89
Amortization of PEP Goodwill					(15,000.00)
Amortization of PEP Asset Appreciation					470,858.20
Equity in Subsidiary Companies					
	Total.....				522,463.09
	Less accumulated provision for depreciation (account 122).....				(page 16)
	Total net of depreciation (page 1, item 7).....				



**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCT. NO.		
<b>MATERIALS AND SUPPLIES</b>		
154	Plant materials and operating supplies.....	2,933,699.83
155	Merchandise.....	20,901.02
156	Other materials and supplies.....	
163	Stores expense undistributed.....	
(855)	<b>Total materials and supplies (page 1, item 16).....</b>	<b>2,954,600.85</b>
Give dates of physical inventories this year: <u>11/04/2009</u>		
Total of adjustments: \$ _____ over, or \$ <u>30,892.24</u> short		
<b>PREPAYMENTS - Account No. 165</b>		
	Prepaid insurance.....	173,187.07
	Prepaid employee pension plan.....	
	Prepaid taxes (page 29).....	
	Prepaid rents.....	
	Other prepayments.....	164,644.46
	<b>Total prepayments (page 1, item 17).....</b>	<b>337,831.53</b>
<b>OTHER CURRENT ASSETS</b>		
171	Interest and dividends receivable.....	39,707.73
172	Rents receivable.....	314,400.00
173	Accrued utility revenue.....	
174	Miscellaneous current and accrued assets.....	
	<b>Total other current assets (page 1, item 18).....</b>	<b>354,107.73</b>
<b>DEFERRED DEBITS</b>		
181	Unamortized debt expense (page 1, item 20).....	
Give method and period of amortization:		
186	Deferred costs on TVA leases (page 1, item 25)	
	Additions	
	Removal Costs	
	Salvage	
	Accumulated Amortization	
	<b>Total as above</b>	
186	Miscellaneous deferred debits (page 1, item 26)	633,399.60
List of items:		
	Receivables from plant sales (item 148)	
	Other items (list):	
	Computer Software/Fees	197,192.85
	Customer Loans Receivable	4,663.51
	R&S Plan Amendment 1/2000	431,543.24
	<b>Total as above</b>	<b>633,399.60</b>



**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES:						
MONTH AND DAY	100					
NAME OF ISSUE		CAPITAL LEASE		CFC Line of Credit		CURRENT MATURITIES OF LONG TERM DEBT
200						
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2011						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
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2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
OUTSTANDING						
END OF YEAR	300					

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200		CoBank Line of Credit	DIRECTOR'S DEFERRED COMPENSATION	FFB LONG TERM DEBT		
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2011						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
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2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE					
DETAILS REGARDING BONDS ON PAGE					
MATURITIES:		0/0			
MONTH AND DAY	100	POST RETIREMENT BENEFITS			
NAME OF ISSUE					
200					
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	TOTAL MATURITIES
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
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2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					
2047					
2048					
2049					
2050					
2051					
2052					
2053					
2054					
OUTSTANDING END OF YEAR	300				

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

# Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY OF LONG-TERM DEBT - RUS										
NOTE NUMBER	DATE OF NOTE	INT. RATE	TERM OF NOTE (YR)	DATE REPAYMENTS BEGIN MO/YEAR	AMOUNT OF ALLOTMENT	BALANCE DUE ON ALLOTMENT (ACCOUNT 224.2)	AMOUNT REPAID THIS YEAR			OUTSTANDING END OF YEAR EXCLUDING CUSHION OF CREDIT
							PRINCIPAL	INTEREST	DEFERRED INTEREST	
01-1B360	3/24/78	5.00	35	05/84	2,642,000.00		121,208.80	44,814.48		820,005.52
02-1B362	3/24/78	5.00	35	05/84	2,642,000.00		121,208.63	44,814.65		820,008.77
03-1B370	2/10/84	5.00	35	04/86	1,412,000.00		55,477.09	32,123.39		612,019.26
04-1B372	2/10/84	5.00	35	04/86	1,412,000.00		55,477.09	32,123.39		612,019.26
05-1B380	11/10/88	5.00	35	02/91	5,106,000.00		157,786.86	158,989.38		3,093,057.11
06-1B383	11/10/88	5.00	35	02/93	5,106,000.00		161,289.64	163,451.96		3,180,381.23
07-1A396	2/6/95	5.00	35	04/98	1,500,000.00		36,580.52	58,819.48		1,156,240.73
08-1A397	2/6/95	5.00	35	04/98	1,200,000.00		29,264.38	47,055.62		924,992.67
09-1A398	2/6/95	5.00	35	04/98	1,300,000.00		31,703.11	50,976.89		1,002,075.40
10-1A590	2/6/95	5.00	35	04/98	154,000.00		3,755.60	6,038.80		118,707.51
11-1B390	2/6/95	5.00	35	04/96	3,000,000.00		71,594.37	114,525.63		2,251,078.63
12-1B391	2/6/95	5.00	35	04/96	1,154,000.00		27,539.95	44,054.21		865,914.99
13-1A400	2/1/99	5.00	35	02/2001	2,952,000.00		55,386.99	127,755.09		2,524,519.77
14-1A401	2/1/99	5.00	35	02/2001	1,300,000.00		24,391.28	56,260.72		1,111,746.57
15-1A402	2/1/99	5.00	35	02/2001	2,000,000.00		37,525.06	86,554.94		1,710,379.28
16-1A403	2/1/99	5.00	35	02/2001	1,700,000.00		31,896.28	73,571.72		1,453,822.40
17-1A410	2/1/01	5.00	35	10/2002	2,300,000.00		39,679.71	103,012.29		2,038,314.48
18-1A411	2/1/01	5.00	35	10/2002	2,000,000.00		34,504.10	89,575.90		1,772,447.35
19-1A412	2/1/01	5.00	35	10/2002	1,600,000.00		27,603.27	71,660.73		1,417,957.92
20-1A413	2/1/01	5.00	35	10/2002	1,500,000.00		25,878.08	67,181.92		1,329,335.49
21-1B414	2/1/01	5.00	35	02/2004	1,648,000.00		28,741.29	75,082.71		1,485,767.79
22-A420	11/1/04	4.24	35	11/2006	3,000,000.00		48,286.01	120,913.99		2,825,096.15
23-A421	11/1/04	4.71	35	11/2006	4,000,000.00		59,687.62	179,832.38		3,785,074.46
24-A422	11/1/04	4.58	35	11/2006	6,000,000.00		91,520.60	261,999.40		5,669,911.99
25-A423	11/1/04	4.88	35	10/2006	6,000,000.00		86,984.23	280,215.77		5,693,954.46
26-A424	11/1/04	4.78	35	03/2007	6,000,000.00		88,518.50	275,801.50		5,720,909.34
27-B425	11/1/07	4.43	35	12/2007	5,000,000.00		79,355.24	214,644.76		4,801,415.00
28-B426	2/1/08	4.35	35	03/2008	3,274,000.00		52,866.71	138,465.85		3,153,929.40
29-Notes Pay				/						(1,781,300.09)
30-				/						
31-				/						
32-				/						
33-				/						
34-				/						
35-				/						
36-				/						
37-				/						
38-				/						
39-				/						
40-				/						
<b>(860) Total.....</b>					<b>76,902,000.00</b>		<b>1,685,711.01</b>	<b>3,020,317.55</b>		<b>60,169,782.84</b>
List Note Numbers Paid Monthly:    1B370    1B372    1B380    1B383    1A396    1A397    1A398    1A590    1B390    1B391    1A400    1A401    1A402    1A403										

\*EXCLUDING CUSHION OF CREDIT.

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE NUMBER	DATE OF NOTE	INT. RATE	CFC OR COBANK	TERM OF NOTE (YR)	SUMMARY OF LONG-TERM DEBT - CFC AND/OR COBANK				OUTSTANDING END OF YEAR	RUS LOAN SUPPLEMENTED	
					AMOUNT OF LOAN APPROVED	UNADVANCED LOAN	AMT REPaid THIS YEAR FOR REGULAR BILLINGS			NOTE NUMBER	%
							PRINCIPAL	INTEREST			
01-9006-V	3/11/75	6.00	CFC	35	267,000.00		19,624.17	725.94		B330/332	10.00
02-9008-V	8/15/76	6.05	CFC	35	534,000.00		36,362.24	3,644.44	38,612.56	B340/342	20.00
03-9010-V	4/25/78	6.05	CFC	35	1,313,000.00		84,492.10	18,575.07	260,299.21	B350/352	20.00
04-9014-V	3/24/81	6.15	CFC	35	2,384,000.00		118,742.51	55,303.59	843,121.65	B360/362	30.00
05-9015	2/10/84	4.20	CFC	35	1,210,300.00		52,043.97	33,351.19	604,433.47	B370/372	30.00
06-9016-V	11/10/88	6.15	CFC	35	4,377,000.00		131,849.08	176,668.55	2,849,223.77	B380/382	30.00
07-9020-01 V	9/1/98	6.10	CFC	15	1,645,286.00		137,564.51	33,042.39	466,382.08	N/A	
08-9021	2/15/00	4.95	CFC	10	1,200,000.00		77,816.16	1,453.12		N/A	
09-RX0134T1	4/14/04	4.60	COBANK	9	2,382,232.00		277,304.71	47,798.46	858,498.09	N/A	
10-RX0134T2	4/14/04	4.22	COBANK	7	1,619,869.00		252,627.87	15,843.32	218,805.57	N/A	
11-RI0134T4	3/1/05	4.45	COBANK	10	1,250,000.00		122,389.69	49,060.91	667,583.40	N/A	
12-RI0134T5	11/2/05	5.66	COBANK	6	1,402,033.00		36,766.12	73,101.68	1,251,769.01	N/A	
13-RI0134T6	11/2/05	5.83	COBANK	10	1,725,995.00		44,497.10	92,883.94	1,544,643.90	N/A	
14-RI0134T7	3/1/08	3.91	COBANK	3	13,000,000.00		4,373,608.65	238,477.45	3,394,087.32	N/A	
15-RI0134T8	2/20/09	6.78	COBANK	8	824,640.38		80,391.31	54,485.67	744,249.07	N/A	
16-LOC - CB			COBANK					144,346.11			
17-LOC - CFC			CFC					21,424.66			
18-NOTE PAY			CFC						(599,276.54)		
19-NOTES PAY			COBANK						(4,203,625.59)		
20-											
21-											
22-											
23-											
24-											
25-											
26-											
27-											
28-											
29-											
30-											
31-											
32-											
33-											
34-											
35-											
36-											
37-											
38-											
39-											
40-											
41-											
<b>(865) Total.....</b>					<b>35,135,355.38</b>		<b>5,846,080.19</b>	<b>1,060,186.49</b>	<b>8,938,806.97</b>		

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

<b>LONG-TERM DEBT - RUS</b>		
<b>ACCT.</b>	<b>PRINCIPAL DATA</b>	<b>AMOUNT</b>
224.1	Long-term debt - RUS .....	60,169,782.84
224.2	Unadvanced RUS allotment - debit (page 21) .....	-
224.3	Deferred interest - RUS .....	-
224.4	Long-term debt - RUS - matured and deferred .....	-
224.5	Cushion of credit - RUS - debit .....	(3,368,991.85)
Net balance due RUS as above (page 2, item 36) .....		56,800,790.99
Total additions to RUS long-term debt this year .....		(Item 132) <input type="text"/>
Repayments for the year excluding advance payments .....		(Item 143) <input type="text" value="1,685,711.01"/>
<b>INTEREST ACCRUED - RUS (Account 237.1)</b>		<b>AMOUNT</b>
Balance beginning of year (matured \$.00) .....		7,736.02
Accrued during year (Account 427.1) (page 3, item 87) (page 26 summary) .....		3,019,321.32
Repayments this year .....		3,020,317.55
Balance end of year (matured \$.00) (page 2, item 49)(page 26 summary) .....		6,739.79
<b>LONG-TERM DEBT - CFC</b>		
<b>ACCT.</b>	<b>PRINCIPAL DATA</b>	<b>AMOUNT</b>
223.1	Subscriptions to CFC capital term certificates - debit .....	(106,800.00)
223.2	Unpaid subscriptions to CFC capital term certificates - credit .....	106,800.00
223.4	CFC loan approved - unadvanced - debit (page 22) .....	-
223.5	Long-term debt - CFC credit .....	4,462,796.20
223.61	Patronage capital certificates - debit .....	-
223.62	Deferred patronage dividends - credit .....	-
Net CFC account (account 223) ( page 2, item 37) .....		4,462,796.20
Total additions to CFC long-term debt this year .....		(Item 135) <input type="text"/>
Repayments for the year excluding advance payments .....		(Item 144) <input type="text" value="658,494.74"/>
<b>INTEREST ACCRUED - CFC (Account 237.2)</b>		<b>AMOUNT</b>
Balance beginning of year (matured \$.00) .....		30,133.24
Accrued during year (Account 427.1) (page 3, item 88) (page 26 summary) .....		338,441.19
Repayments this year .....		344,188.95
Balance end of year (matured \$.00) (page 2, item 50)(page 26 summary) .....		24,385.48
<b>LONG-TERM DEBT - COBANK</b>		
<b>ACCT.</b>	<b>PRINCIPAL DATA</b>	<b>AMOUNT</b>
229.10	Long Term Debt - CoBank - credit .....	4,476,010.77
229.20	Unadvanced allotment - CoBank - debit .....	-
229.30	Subscription to class "C" stock - CoBank - debit .....	-
229.40	Unpaid subscription to class "C" stock - CoBank - credit .....	-
229.50	Allocated earnings receivable - CoBank - debit .....	-
229.51	Allocated earnings deferred - CoBank - credit .....	-
Net CoBank account (account 229) (page 2, item 38) .....		4,476,010.77
Amount received on allotment this year .....		(Item 136) <input type="text"/>
Repayments this year .....		(Item 145) <input type="text" value="5,187,585.45"/>
<b>INTEREST ACCRUED - COBANK (Account 237.6)</b>		<b>AMOUNT</b>
Balance beginning of year (matured \$.00) .....		81,444.22
Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary) .....		665,860.97
Repayments this year .....		715,997.54
Balance end of year (matured \$.00) (page 2, item 51)(page 26 summary) .....		31,307.65

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: CURRENT MATURITIES OF LONG TERM DEBT  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \_\_\_\_\_

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. ....	7,576,759.68	Accrued beginning of year. ....	
Issued during year. ....	(722,816.84)	Accrued during year (427.3). ....	
Total. ....	6,853,942.84	Total. ....	
Bonds retired this year. ....		Payments during year. ....	
Balance end of year. ....	6,853,942.84	Balance end of Year. ....	
Including matured of (239). ....		Including matured of (240). ....	
Balance less matured (221). ....	6,853,942.84	Balance less matured (237.3). ....	

Name of issue: FFB LONG TERM DEBT  
 Date of issue: 04/15/1998 Amount of original issue: \$ 29,520,000.00  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: Other - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: Financing of utility plant: \$2.1 million drawn 4/1998 at interest rate of 6.143%; \$1.2 million drawn 10/1998 at interest rate of 5.191%; \$1.7 million drawn 12/1998 at interest rate of 5.098%; \$7.6 million drawn 4/2009 at interest rate of 3.822%; \$4.05 mil

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. ....	11,598,977.87	Accrued beginning of year. ....	
Issued during year. ....	4,050,000.00	Accrued during year (427.3). ....	613,119.43
Total. ....	15,648,977.87	Total. ....	613,119.43
Bonds retired this year. ....	270,483.34	Payments during year. ....	613,119.43
Balance end of year. ....	15,378,494.53	Balance end of Year. ....	
Including matured of (239). ....		Including matured of (240). ....	
Balance less matured (221). ....	15,378,494.53	Balance less matured (237.3). ....	

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: POST RETIREMENT BENEFITS  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: PostRetirement - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: FAS 106 & FAS 158 REQUIREMENT

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year . . . . .	2,692,084.00	Accrued beginning of year . . . . .	
Issued during year . . . . .		Accrued during year (427.3) . . . . .	
Total . . . . .	2,692,084.00	Total . . . . .	
Bonds retired this year . . . . .	315,513.00	Payments during year . . . . .	
Balance end of year . . . . .	2,376,571.00	Balance end of Year . . . . .	
Including matured of (239) . . . . .		Including matured of (240) . . . . .	
Balance less matured (221) . . . . .	2,376,571.00	Balance less matured (237.3) . . . . .	

Name of issue: CAPITAL LEASE  
 Date of issue: 09/29/2006 Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: Other - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: Lease of Tow Motor / Mitsubishi / Cargo Van

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year . . . . .	45,562.14	Accrued beginning of year . . . . .	
Issued during year . . . . .		Accrued during year (427.3) . . . . .	
Total . . . . .	45,562.14	Total . . . . .	
Bonds retired this year . . . . .	26,295.72	Payments during year . . . . .	
Balance end of year . . . . .	19,266.42	Balance end of Year . . . . .	
Including matured of (239) . . . . .		Including matured of (240) . . . . .	
Balance less matured (221) . . . . .	19,266.42	Balance less matured (237.3) . . . . .	

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: CFC Line of Credit  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: Other Notes Payable - 231  
 Revenue or general obligation bonds: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \_\_\_\_\_

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. . . . .	1,000,000.00	Accrued beginning of year. . . . .	
Issued during year. . . . .		Accrued during year (427.3). . . . .	
Total. . . . .	1,000,000.00	Total. . . . .	
Bonds retired this year. . . . .	1,000,000.00	Payments during year. . . . .	
Balance end of year. . . . .		Balance end of Year. . . . .	
Including matured of (239). . . . .		Including matured of (240). . . . .	
Balance less matured (221). . . . .		Balance less matured (237.3). . . . .	

Name of issue: CoBank Line of Credit  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: Other Notes Payable - 233.10  
 Revenue or general obligation bonds: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \_\_\_\_\_

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. . . . .	10,000,000.00	Accrued beginning of year. . . . .	
Issued during year. . . . .		Accrued during year (427.3). . . . .	
Total. . . . .	10,000,000.00	Total. . . . .	
Bonds retired this year. . . . .	8,000,000.00	Payments during year. . . . .	
Balance end of year. . . . .	2,000,000.00	Balance end of Year. . . . .	
Including matured of (239). . . . .		Including matured of (240). . . . .	
Balance less matured (221). . . . .	2,000,000.00	Balance less matured (237.3). . . . .	

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: DIRECTOR'S DEFERRED COMPENSATION  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: PostRetirement - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \_\_\_\_\_

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. ....	45,859.11	Accrued beginning of year. ....	
Issued during year. ....	12,000.00	Accrued during year (427.3). ....	
Total. ....	57,859.11	Total. ....	
Bonds retired this year. ....		Payments during year. ....	
Balance end of year. ....	57,859.11	Balance end of Year. ....	
Including matured of (239). ....		Including matured of (240). ....	
Balance less matured (221). ....	57,859.11	Balance less matured (237.3). ....	

**SUMMARY OF LONG-TERM DEBT - BONDS (Account 221) AND OTHER (Account 228)**

	ACCOUNT 221	OTHER* ACCOUNT 228	TOTAL*	POST- RETIREMENT BENEFITS ACCOUNT 228	TVA ACCOUNT 228
Balance beginning of year. ....		11,644,540.01	11,644,540.01	2,737,943.11	
Issued during year. .... (Item 137)		4,050,000.00	4,050,000.00	12,000.00	
<b>Total. ....</b>		<b>15,694,540.01</b>	<b>15,694,540.01</b>	<b>2,749,943.11</b>	
Bonds retired this year. .... (Item 146)		296,779.06	296,779.06	315,513.00	
Balance end of year. ....		15,397,760.95	15,397,760.95	2,434,430.11	
Including matured of (239). .... (Item 147)					
Balance less matured (221). ....		15,397,760.95	15,397,760.95	2,434,430.11	

(page 2, item 39.1) (page 2, item 39.2) (page 2, item 39.3)

**SUMMARY OF INTEREST ACCRUED - LONG-TERM DEBT(Account 237)**

	TOTAL
Accrued beginning of year. ....	
Accrued during year (427.3) (page 26). ....	613,119.43
<b>Total. ....</b>	<b>613,119.43</b>
Payments during year. ....	613,119.43
Balance end of year. ....	
Including matured of (240). ....	
Balance less matured (237.3) (page 26). ....	

\*Less TVA Long-term Debt and Postretirement Benefits

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTES PAYABLE (Account 231)										
PRINCIPAL DATA						INTEREST ACCRUED				
Balance beginning of year. . . . .		18,576,759.68		Accrued beginning of year. . . . .						
New notes issued during year. . . . .		(722,816.84)		Accrued during year (as below). . . . .						
<b>Total. . . . .</b>		<b>17,853,942.84</b>		<b>Total. . . . .</b>						
Notes retired this year. . . . .		9,000,000.00		Payments during year. . . . .						
<b>Balance end of year. . . . .</b>		<b>8,853,942.84</b>		<b>Balance end of year (as below). . . . .</b>						
Portion of balance TVA (page 2, item 45.1). . . . .										
Portion of balance non-TVA (page 2, item 45.2). . . . .		8,853,942.84								
CUSTOMER DEPOSITS (Account 235)										
Balance accrued interest on customer deposits end of year. . . . .										57,093.65
Balance customer deposits end of year (Account 235). . . . .										2,377,303.85
<b>Total customer deposits (page 2, item 47). . . . .</b>										<b>2,434,397.50</b>
SUMMARY OF ACCRUED INTEREST AND INTEREST EXPENSE										
ACCT. NO.	DESCRIPTION	FROM PAGE NO.	REPORT ON BALANCE SHEET AS INDICATED BELOW				REPORT ON REVENUE AND EXPENSE STATEMENT AS INDICATED BELOW			
			ACCT. NO.	PAGE NO.	ITEM NO.	ACCRUED END OF YEAR	ACCT. NO.	PAGE NO.	ITEM NO.	EXPENSE FOR YEAR
221	Bonds	25	237.3	2	52.2		427.3	3	90.1	
223	CFC	23	237.2	2	50	24,385.48	427.2	3	88	338,441.19
224	RUS	23	237.1	2	49	6,739.79	427.1	3	87	3,019,321.32
229	CoBank	23	237.6	2	51	31,307.65	427.4	3	89	665,860.97
228	TVA long term	25	237.3	2	52.1		427.3	3	90.2	
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	613,119.43
231	TVA Notes Payable	Above	237.5	2	52.1		431	3	90.2	
231	Other notes payable	Above	237.5	2	52.2		431	3	92	
235	Customer Deposits	Above	235	Above	---		431	3	92	135,048.35
---	Delinquent taxes	---	237.5	2	52.2		431	3	92	
Total interest accrued end of year. . . . .						<b>62,432.92</b>	Net expense for year. . . . .			<b>4,771,791.26</b>
Total item 49 (page 2) . . . . .						6,739.79	Total item 87 (page 3). . . . .			3,019,321.32
Total item 50 (page 2) . . . . .						24,385.48	Total item 88 (page 3). . . . .			338,441.19
Total item 51 (page 2) . . . . .						31,307.65	Total item 89 (page 3). . . . .			665,860.97
Total item 52.1 (page 2) . . . . .							Total item 90.1 (page 3). . . . .			613,119.43
Total item 52.2 (page 2) . . . . .							Total item 90.2 (page 3). . . . .			
							Total item 92 (page 3). . . . .			135,048.35
ACCOUNTS PAYABLE										
232	Accounts payable - general (includes \$21,065,277.50 to TVA for purchased power and Fac.Rental). . . . .									22,659,151.73
232	Accrued purchased power. . . . .									
233	Accounts payable - spec. const. . . . .									
234	Payable to municipal - utility revenue. . . . .									
234	Other payables to municipality. . . . .									
<b>Total accounts payable - general (page 2, item 46). . . . .</b>										<b>22,659,151.73</b>
OTHER CURRENT AND ACCRUED LIABILITIES										
239	Matured long-term debt (pages 23, 24, and 25). . . . .									
240	Matured interest (pages 23, 24, and 25). . . . .									
241	Tax collections payable. . . . .									193,079.14
242	Miscellaneous - accrued insurance. . . . .									423,978.08
242	Miscellaneous - employees' accrued leave. . . . .									1,656,713.91
242	Miscellaneous - other. . . . .									500,550.65
<b>Total other current and accrued liabilities (page 2, item 53). . . . .</b>										<b>2,774,321.78</b>
OTHER DEFERRED CREDITS (Account 253)										
Payables for plant purchases; (item 149) . . . . .										
Other items (List): Advances on Subdivision Lighting. . . . .										322,073.93
Total other deferred credits (page 2, item 56) . . . . .										
<b>Total other deferred credits (page 2, item 56) . . . . .</b>										<b>322,073.93</b>

# Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

PAYMENTS OF AD VALOREM TAXES OR TAX EQUIVALENTS					
TO WHOM PAID	PERIOD COVERED	AMOUNT	TO WHOM PAID	PERIOD COVERED	AMOUNT
States (list):			Cities (list):		
KY	1/1/09 12/31/09	417,968.49	WOODBURN	1/1/09 12/31/09	
			AUBURN	1/1/09 12/31/09	673.91
			BOWLING GREEN	1/1/09 12/31/09	56,310.52
			SMITHS GROVE	1/1/09 12/31/09	108.60
			LEITCHFIELD	1/1/09 12/31/09	1,392.07
			PARK CITY	1/1/09 12/31/09	309.76
			MORGANTOWN	1/1/09 12/31/09	485.09
	Total states. ....	417,968.49			
Counties (list):					
SIMPSON	1/1/09 12/31/09	59,816.74			
OHIO	1/1/09 12/31/09	41,553.13			
BUTLER	1/1/09 12/31/09	87,178.96			
WARREN	1/1/09 12/31/09	189,073.97			
GRAYSON	1/1/09 12/31/09	114,316.36			
LOGAN	1/1/09 12/31/09	28,646.17			
BARREN	1/1/09 12/31/09	2,666.53			
EDMONSON	1/1/09 12/31/09	78,587.18			
				Total cities. ....	59,279.95
	Total counties. ....	601,839.04		Total paid. ....	1,079,087.48

If all the tax equivalent is paid to a city and the city makes redistribution payments to states or counties, show these redistribution payments above and mark them with an \*. Also give method of determining amounts redistributed.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY TAX OR TAX EQUIVALENT							
<input checked="" type="radio"/> TAX, OR <input type="radio"/> TAX EQUIVALENT		TN. EQUAL- IZATION RATIO	STATE ASSESS- MENT RATIO	TAX ASSESSMENT OR VALUATION	RATE PER \$100	TAX OR EQUIVALENT FOR TAX PERIOD	AMOUNT APPLICABLE FOR FISCAL YEAR
PERIOD	DISTRICT						
1/1/09 12/31/09	Ky - Real Estate			7,350,501.00	.1220	8,697.61	4,348.81
1/1/09 12/31/09	Ky - Tangible Property			80,498,959.00	.4500	362,245.32	181,122.66
1/1/09 12/31/09	Ky - Manufacturing Machinery			31,170,376.00	.1500	46,755.56	23,377.78
1/1/09 12/31/09	Butler County			10,828,179.00	.8051	87,178.96	43,589.48
1/1/09 12/31/09	Simpson County			8,733,751.00	.6849	59,816.74	29,908.37
1/1/09 12/31/09	Edmonson County			8,930,150.00	.8800	78,587.18	39,293.59
1/1/09 12/31/09	Barren County			349,906.00	.7621	2,666.53	1,333.27
1/1/09 12/31/09	Warren County			32,341,514.00	.5846	189,073.97	94,536.99
1/1/09 12/31/09	Grayson County			16,354,163.00	.6990	114,316.36	57,158.18
1/1/09 12/31/09	Logan County			3,897,957.00	.7349	28,646.17	14,323.09
1/1/09 12/31/09	Ohio County			6,413,840.00	.6479	41,553.13	20,776.57
1/1/09 12/31/09	City of Leitchfield			1,104,077.00	.1261	1,392.07	696.04
1/1/09 12/31/09	Town of Smiths Grove			107,519.00	.1010	108.60	54.30
1/1/09 12/31/09	City of Bowling Green			5,991,967.00	.9398	56,310.52	28,155.26
1/1/09 12/31/09	Town of Auburn			237,274.00	.2840	673.91	336.96
1/1/09 12/31/09	Town of Park City			97,413.00	.3180	309.76	154.88
1/1/09 12/31/09	City of Morgantown			475,953.00	.1019	485.09	242.55
	Accrued and expensed FY 2010 for CY 2010						540,000.00
	Under/Over accrual FY2009						(546.26)
	TOTAL			1,079,087.48	*****	1,079,087.48	511,842.84

Where more than one tax period is applicable to the current fiscal year, show beginning and ending dates of each tax period. Compute tax or tax equivalent for each tax period and show amount prorated to this fiscal year. For tax equivalents show all the components of the tax base and applicable tax equivalent by taxing districts. When tax equivalent payments are determined other than by applying applicable tax rates to net plant, describe basis, explain any change from previous period, and include data showing breakdown of net plant by taxing districts and applicable tax rates. Use extra sheets if needed.

# Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

## PREPAID TAXES

Do not report any taxes listed in schedule of Account 236 below as prepaid - if prepaid show debit balance in Account 236.

TAXING JURISDICTION	% OF GROSS REVENUE	BALANCE BEGINNING OF YEAR	PAYMENTS	PERIOD COVERED	ACCT. NO.	WRITEOFF AMOUNT	BALANCE END OF YEAR
<b>Total</b>							(Page 17)

(Add below)

## ACCRUED TAXES (Account 236)

ACCT. NO.	KIND OF TAX	BALANCE BEG. OF YEAR	PAYMENTS	TAX EXPENSE (ACCOUNT 408)	TRANSFERRED	BALANCE END OF YEAR
408.1	Property	510,000.00	1,079,087.48		1,109,087.48	540,000.00
408.2	U.S. Social Security - unemployment	70.02	9,718.84		9,714.74	65.92
408.3	U.S. Social Security - FICA	(1,217.76)	1,578,686.41		1,578,086.37	(1,817.80)
408.4	State Social Security - unemployment	129.04	13,816.56		13,862.92	175.40
408.5	Gross receipts - state					
408.6	Income - state					
408.7	Other: (list below)					
408.7	City franchise tax		41,336.75	41,336.75		
408.7	Miscellaneous tax			(.16)	.16	
408.7	Net Profits License fee		888.00	888.00		
408.7	Utility tax	319,105.43	4,111,285.66	4,144,264.23	1,322.55	353,406.55
<b>Total</b>		828,086.73	6,834,819.70	4,186,488.82	2,712,074.22	891,830.07
(885)	Tax expense from the writeoff of prepaid privilege taxes (as above)					(page 2, item 48)
(890)	<b>Total tax expense for the year (page 3, item 79)</b>			4,186,488.82		

Social Security and Federal and State unemployment taxes paid should be reported under payments, and the portion not charged to tax expense should be reported as "Transferred".

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

**GENERAL INFORMATION**

1. Give the form of management of municipal system. (Power board, Mayor and council, etc.)  
 Board of Directors and General Manager
  
2. In the case of a Power Board (or Utilities Board), list any other departments of the city over which it exercises control.
  
3. (a) Give the statutes under which the electric system was created.  
 RURAL ELECTRIFICATION ADMINISTRATION 1936  
 RURAL ELECTRIC COOPERATIVE CORPORATION ACT-JANUARY 18, 1937
- (b) Give the statutes under which the electric system is currently operating if different from the above.
  
4. (a) Are customers' accounts billed by an outside organization? Y  
 If so, give name. If not, give the type in-house hardware. SEDC
- (b) At June 30:
  - 1) What percentage is added to customer bills for late payments? 5.00 %
  - 2) How many days are allowed between date of bill and last day before gross billing applies? 15 days
  - 3) Is an "Even Monthly Payment" (budget billing) plan available for electric consumers? Y Yes      No
  - 4) Amount of security deposit required for residential service:
 

Owner with Electric Heat	\$200.00
Owner without Electric Heat	\$200.00
Tenant with Electric Heat	\$200.00
Tenant without Electric Heat	\$200.00
Other (describe)	
  
- 5) Are there any customer deposits that qualify (deposits exceeding 1 month's average bill and held longer than 6 months) for the payment of interest under the service practice standard entitled Deposit? If yes, what rate of interest is paid?
 

Class	Yes/No	Interest Rate
Residential	Y	6.00 %
C & I Part A	Y	6.00 %
C & I Part B	Y	6.00 %
  
- 6) Is interest on deposits:
 

Refunded by check annually? .....	<u>    </u> Yes	<u>    </u> N	<u>    </u> No
Credited on customer's power bill annually? .....	<u>Y</u> Yes	<u>    </u> Yes	<u>    </u> No
Credited to a deposit account annually? .....	<u>    </u> Yes	<u>    </u> Yes	<u>    </u> No
Handled differently (Explain)			
  
- 7) Are prior written notice and due process afforded to customers before termination for nonpayment?
 

Prior written notice? .....	<u>Y</u> Yes	<u>    </u> Yes	<u>    </u> No
Due process? .....	<u>Y</u> Yes	<u>    </u> Yes	<u>    </u> No
  
- 8) Is information about policies and rates available upon request and application for service?
 

Upon request? .....	<u>Y</u> Yes	<u>    </u> Yes	<u>    </u> No
Upon application for service? .....	<u>Y</u> Yes	<u>    </u> Yes	<u>    </u> No
  
- 9) Are the media used to inform customers about policies and rates?
 

Policies? .....	<u>Y</u> Yes	<u>    </u> Yes	<u>    </u> No
If yes, how many times during the past 12 months? .....	<u>0</u> Times	<u>    </u> Times	
Rates? .....	<u>Y</u> Yes	<u>    </u> Yes	<u>    </u> No
If yes, how many times during the past 12 months? .....	<u>0</u> Times	<u>    </u> Times	
  
- 10) Is the most recent 12 months' prior usage available to customers upon request? .....
- 11) The cost of a membership certificate is \$10.00

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**GENERAL INFORMATION (CONTINUED)**

5. Give the name of the audit firm conducting this year's audit:  
 BKD, LLP

6. If water, gas, or other services are operated in connection with electric services, furnish the following information in connection with joint operations.

Water	Wastewtr	Other			
X		X			

(a) Indicate the joint operations with the Electric Utility:

(b) Indicate the % of non-electric ownership of any jointly owned buildings:

(c) Percentage of building space rented to others 10.0000 %

(d) Percentage of building space rented from others \_\_\_\_\_ %

(e) 1) Date of last joint expense study: 5/1/96

2) Joint expense study was prepared by: \_\_\_\_\_ TVA \_\_\_\_\_ Distributor X Other

3) Indicate the amount of the unresolved annual inequity as reflected by the TVA study:

4) Give the current status of the latest joint expense study:  
 Management contract with water and sewer districts (Warren County, Butler County, and Simpson County) was cancelled January 1999. Management of Grayson County Water District continues. Management rates charged to water district is reviewed annually.

**GOVERNING BOARD**

**AMOUNT PAID\***

DIRECTORS OR MEMBERS OF GOVERNING BOARD NAME AND PRINCIPAL OCCUPATION		TERM EXPIRES	AMOUNT PAID*	
			FEES	TRAVEL
PETE DOTSON	RETIRED	05/01/2012	17,195.00	3,242.00
REBECCA GOAD	RETIRED	05/01/2012	19,300.00	5,462.00
DENNIS INGRAM	SMALL BUSINESS OWNER	05/01/2013	16,500.00	3,346.00
B.W. LYONS	RETIRED	05/01/2012	19,900.00	6,816.00
MIKE McGUIRK	SMALL BUSINESS OWNER	05/01/2013	20,200.00	7,228.00
JOE NEELY	FARMER	05/01/2011	17,500.00	3,657.00
KEN ROBBINS	RETIRED	05/01/2013	17,300.00	1,227.00
LES WHITE	DECEASED (NOT REPLACED)		7,800.00	1,931.00
TERRY GARMON	REALTOR	05/01/2011	17,800.00	2,833.00
Total . . . . .			153,495.00	35,742.00

\*Show total amounts paid from electric system funds for fiscal year.  
 Method of determining amounts paid to board members is as follows:  
 \$1,000 MONTHLY RETAINER PLUS \$300 PER DIEM FOR BOARD AND OTHER MEETINGS; \$.50 PER MILE PLUS ACTUAL EXPENSES

**Warren Rural Electric Cooperative Corporation**  
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

<b>GENERAL INFORMATION (CONTINUED)</b>	
Detail of Account 930 - Miscellaneous General Expense	EXPENSE
TOTAL	

GENERAL INFORMATION (CONTINUED)

EXPLAIN UNUSUAL INCREASES OR DECREASES IN OPERATING EXPENSES AND INCOME OVER LAST YEAR'S FIGURES; EXTRAORDINARY ITEMS PAGE 3; ITEMS MARKED \* ON PAGES 5 AND 6; AND OTHER ENTRIES TO THE ACCUMULATED PROVISION FOR DEPRECIATION ON PAGE 11.

A/C 582 - FY10 Right of Way Spraying and Chemicals \$65,000

A/C 586 - Special Equipment Labor Credit \$100,000 less than in FY09; less purchases of special equipment in FY10

A/C 902 - One additional employee for FY10 led to overall increase in meter reading expense

A/C 925 - Administrative assistant added FY10

A/C 926 - FAS 106 expense of \$140,000 in FY09 and income of \$360,000 in FY10 (change in actuary valuation)

A/C 570 - Maintenance of East BG Substation in FY09 totaled \$189,228

A/C 571 - FY10 Right of Way Contract increased \$140,000

A/C 592 - Contract labor went from \$25,000 in FY09 to \$0 in FY10

A/C 593 - Warren's portion of the 09 Ice Storm was \$759,000

Page 6 - Payroll charged to other accounts went back down to normal levels (PY included \$1.5 million related to Ice Storm costs)

TVA Meter Read Date Change: Warren elected to move its wholesale meter read date from the 10th of the month to the end of the month beginning in April 2010; due to this change, an additional 20 days of power cost was estimated on the April bill (est of 74,599,156 kwh for mrd change) and Warren began booking unbilled revenue to match up the revenues and expenses

\*\*Change in meter read date also moved the payment date of the power invoice from the middle of the month to the beginning of the month which increased cash and accounts payable at year-end (May and June power bill both accrued at 6/30/10)

True-up Amount for FY10 was \$20,333.16

Audit Report - The results of the FY2010 audit report differ from the amounts reported on the annual report due to accounting for a change in accounting principle. Due to the fact that Warren began reporting unbilled revenue during FY2010, the comparative statements in the audit report were adjusted to reflect how the application of this accounting method would have affected the prior periods. The adjustments impacted beginning equity, accounts receivable, accounts payable and net income. The net effect on equity at 6/30/10 is \$0. For detailed information on the amounts adjusted for FY09 and FY10, refer to Note 16 in the 2010 audit report.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

KEY PERSONNEL		
KEY PERSONNEL	TITLE OR OCCUPATIONS	PERCENTAGE OF WAGES CHARGED TO THE ELECTRIC DEPARTMENT
GARY DILLARD	PRESIDENT & CEO	100.00
ROX'ANNE GRAY	VP OF ADMINISTRATIVE & OFFICE SERVICES	100.00
TOM MARTIN	VP OF ENGINEERING & IS	100.00
CAROLYN MYATT	VP ;OF MEMBER SERVICES	100.00
DEWAYNE MCDONALD	VP OF OPERATIONS	100.00
DONNA WHITE (THRU 12/09)	VP OF QUALITY ASSURANCE	100.00
(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME EMPLOYEES: 157		

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

EFFECTIVE DATE		RATE SCHEDULES	
<b>RESIDENTIAL RATE - SCHEDULE RS</b>			
10/1/09	CUSTOMER CHARGE . .	\$ 15.71	per month less \$1.71 Hydro allocation credit.
10/1/09	ENERGY CHARGE . . . .	All	kWh per month at 0.08355 per kWh
			Additional kWh at _____ per month
<b>GENERAL POWER RATE - SCHEDULE GSA</b>			
<b>PART 1.</b>			
10/1/09	CUSTOMER CHARGE . .	\$ 14.00	per delivery point per month
10/1/09	ENERGY CHARGE . . . .	All	kWh per month at 0.09853 per kWh
			Additional kWh at _____ per month
<b>PART 2.</b>			
10/1/09	CUSTOMER CHARGE . .	\$ 27.00	per delivery point per month
10/1/09	DEMAND CHARGE . . . .	First 50 kW of billing demand per month, no charge	
		Excess over 50 kW of billing demand per month, at \$ 14.95	per kW
10/1/09	ENERGY CHARGE . . . .	All 15,000 kWh per month at 0.09853	per kWh
		Additional kWh per month at 0.05035	per kWh
<b>PART 3.</b>			
10/1/09	CUSTOMER CHARGE . .	\$ 105.00	per delivery point per month
10/1/09	DEMAND CHARGE . . . .	First 1,000 kW of billing demand per month, at \$ 15.13	per kW
		Excess over 1,000 kW of billing demand per month, at 17.22	per kW, plus an additional
		\$ 17.22 per kW per month for each, if any, of the amount by which the customer's	billing demand exceeds the higher of 2,500 kW or its contract demand
10/1/09	ENERGY CHARGE . . . .	All	kWh per month at 0.05142 per kWh
		Additional kWh per month at _____	per kWh
<b>GENERAL POWER RATE - SCHEDULE GSB</b>			
10/2/03	CUSTOMER CHARGE . .	\$ 1,500.00	per delivery point per month
10/1/09	DEMAND CHARGE . . . .	\$ 15.40	per kW of billing demand per month, plus an additional
		\$ 15.40	per kW per month for each kW, if any, of the amount by which the customer's
			billing demand exceeds its contract demand
10/1/09	ENERGY CHARGE . . . .	0.04132	per kWh for up to 620 hours use of metered demand per month
		0.03372	per kWh for all additional kWh per month
<b>GENERAL POWER RATE - SCHEDULE GSC</b>			
10/2/03	CUSTOMER CHARGE . .	\$ 1,500.00	per delivery point per month
10/1/09	DEMAND CHARGE . . . .	\$ 13.27	per kW of billing demand per month, plus an additional
		\$ 13.27	per kW per month for each kW, if any, of the amount by which the customer's
			billing demand exceeds its contract demand
10/1/09	ENERGY CHARGE . . . .	0.03518	per kWh for up to 620 hours use of metered demand per month
		0.02870	per kWh for all additional kWh per month
<b>GENERAL POWER RATE - SCHEDULE GSD</b>			
10/2/03	CUSTOMER CHARGE . .	\$ 1,500.00	per delivery point per month
10/1/09	DEMAND CHARGE . . . .	\$ 18.24	per kW of billing demand per month, plus an additional
		\$ 18.24	per kW per month for each kW, if any, of the amount by which the customer's
			billing demand exceeds its contract demand
10/1/09	ENERGY CHARGE . . . .	0.03314	per kWh per month
<b>OUTDOOR LIGHTING RATE - SCHEDULE LS</b>			
10/2/03	CUSTOMER CHARGE . .	\$ 2.50	
10/1/09	ENERGY CHARGE . . . .	0.05913	per kWh
10/2/03	FACILITY CHARGE . . . .	LS ( 12.00 )%	$\frac{B}{A \text{ or } B}$

11/08

11/08/2011

Warren Rural Electric Cooperative Corporation

Name of Organization

951 Fairview Avenue Bowling Green, KY 42102-1118

Address

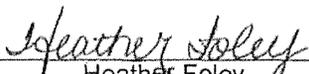
Tennessee Valley Authority  
1101 Market Street  
Chattanooga, Tennessee 37402-2801

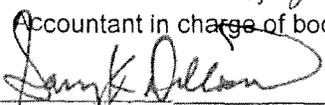
Gentlemen:

We are transmitting herewith our annual report for the year ended June 30, 2011. The report is in agreement with the books of account, and to the best of our knowledge and belief the statements therein contained are true and correctly reflect the financial condition at June 30, 2011, and the results of our electric operations for the year ended on that date.

Our books of account have been kept in accordance with the provisions of the power contract between this organization and the Tennessee Valley Authority, and are consistent with the requirements of the Federal Energy Regulatory Commission's system of accounts.

(Signed)

  
Heather Foley

Accountant in charge of books  
  
Gary Dillard

Manager

10/07/2011

Date transmitted

TVA Act of 1933

In fulfilling the responsibilities of the TVA Act of 1933 [16 U.S.C. #831i and 831n-4(f)], TVA requires each distributor to provide certain financial and accounting information to TVA to ensure that electric power produced by TVA is being sold at rates which are as low as feasible. This form (TVA 3957) is for that purpose.

Public reporting burden for this collection of information is estimated to vary from ten to forty hours per response, with an average of nineteen hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Agency Clearance Officer, Tennessee Valley Authority, 1101 Market Street, Chattanooga, TN 37402; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

**Warren Rural Electric Cooperative Corporation**  
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BALANCE SHEET				
ASSETS AND OTHER DEBITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
<b>UTILITY PLANT</b>				
Electric Plant. ....	10	1	236,360,703.39	228,384,270.49
Less Depreciation. ....	10	2	96,952,121.08	91,767,038.80
<b>Total. ....</b>	10	3	139,408,582.31	136,617,231.69
Unamortized acq. adj. ....	13	4		
Other utility plant - net. ....	----	5		
<b>Total Plant - net. ....</b>	----	6	139,408,582.31	136,617,231.69
<b>OTHER PROPERTY AND INVESTMENTS</b>				
Nonutility property - net. ....	15	7		
Other investments. ....	14	8	6,423,085.70	6,255,683.93
Sinking funds. ....	15	9		
Depreciation funds. ....	15	10		
Other special funds. ....	15	12	69,859.11	58,859.11
<b>Total. ....</b>	----	13	6,492,944.81	6,314,543.04
<b>CURRENT AND ACCRUED ASSETS</b>				
General cash and temporary cash investments. ....	14	14	17,511,309.74	16,483,342.08
Accounts receivable. ....	16	15	18,280,503.63	15,008,606.06
Materials and supplies. ....	17	16	2,847,005.95	2,954,600.85
Prepayments. ....	17	17	1,112,089.03	337,831.53
Other current assets. ....	17	18	379,729.92	354,107.73
<b>Total. ....</b>	----	19	40,130,638.27	35,138,488.25
<b>DEFERRED DEBITS</b>				
Debt expense. ....	17	20		
Preliminary survey. ....	----	21		
Clearing accounts. ....	----	22	2,724.91	7,033.92
Energy Service Loans Receivables. ....	----	24	1,170.23	12,181.94
Deferred costs on TVA Leases. ....	17	25		
Other deferred debits. ....	17	26	538,434.85	633,399.60
<b>Total. ....</b>	----	27	542,329.99	652,615.46
<b>TOTAL ASSETS AND OTHER DEBITS. ....</b>	----	28	186,574,495.38	178,722,878.44
<b>LIST UNRECORDED AND CONTINGENT ASSETS AND LIABILITIES OTHER THAN ACCRUED UTILITY REVENUE AND UNBILLED PURCHASED POWER</b>				

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BALANCE SHEET				
LIABILITIES AND OTHER CREDITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
<b>CAPITAL</b>				
Membership certificates.....	----	30	609,536.09	609,792.10
<b>EARNINGS REINVESTED IN SYSTEM ASSETS</b>				
Beginning of year.....	----	33	56,264,810.80	51,484,368.87
Current year.....	3	34	7,652,050.69	4,780,441.93
<b>Total</b> .....	----	35	63,916,861.49	56,264,810.80
<b>LONG-TERM DEBT</b>				
RUS.....	23	36	29,756,646.82	56,800,790.99
CFC.....	23	37	31,316,024.64	4,462,796.20
CoBank.....	23	38	3,874,415.28	4,476,010.77
Bonds and other long-term debt.....	25	39.1	21,367,857.97	15,397,760.95
TVA.....	25	39.3		
Debt premium and discount.....	----	40		
<b>Total</b> .....	----	41	86,314,944.71	81,137,358.91
<b>OTHER NON-CURRENT LIABILITIES</b>				
Postretirement Benefits.....	25	39.2	2,466,587.11	2,434,430.11
Energy Service Loans - Advances.....	----	42	2,174.03	13,481.05
Energy Service Loans - Other.....	----	43		
<b>Total</b> .....	----	44	2,468,761.14	2,447,911.16
<b>CURRENT AND ACCRUED LIABILITIES</b>				
TVA notes payable.....	26	45.1		
Other notes payable.....	26	45.2	3,805,501.83	8,853,942.84
Accounts payable.....	26	46	22,208,927.25	22,659,151.73
Customer deposits.....	26	47	2,592,875.72	2,434,397.50
Taxes and equivalents accrued.....	29	48	959,757.73	891,830.07
Interest accrued - RUS.....	23	49		6,739.79
Interest accrued - CFC.....	23	50	123,252.10	24,385.48
Interest accrued - CoBank.....	23	51	9,302.03	31,307.65
Interest accrued - TVA.....	26	52.1		
Interest accrued - other.....	26	52.2		
Other current liabilities.....	26	53	3,013,250.08	2,774,321.78
<b>Total</b> .....	----	54	32,712,866.74	37,676,076.84
<b>DEFERRED CREDITS</b>				
Advances for construction - refundable.....	18	55	280,639.69	264,854.70
Other deferred credits.....	26	56	270,885.52	322,073.93
<b>Total</b> .....	----	57	551,525.21	586,928.63
<b>TOTAL LIABILITIES AND OTHER CREDITS.....</b>	----	58	186,574,495.38	178,722,878.44

**Warren Rural Electric Cooperative Corporation**  
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

REVENUE AND EXPENSE STATEMENT	SEE PAGE NO	ITEM NO	THIS YEAR	LAST YEAR
<b>OPERATING REVENUE</b>				
Electric sales revenue (page 7, item 332) . . . . .	----	59	172,919,877.48	157,475,346.80
Revenue from late payments . . . . .	----	60	1,227,159.97	1,065,795.42
Misc. service revenue . . . . .	----	61	1,201,108.36	1,149,449.27
Rent from electric property . . . . .	----	62	1,152,788.35	1,080,705.93
Other electric revenue . . . . .	----	63	18,756.95	54,999.04
<b>Total operating revenue . . . . .</b>	----	64	<b>176,519,691.11</b>	<b>160,826,296.46</b>
<b>PURCHASED POWER</b>				
<b>Total power cost (page 7, item 342) . . . . .</b>	7	65	<b>131,471,970.00</b>	<b>120,906,858.48</b>
<b>OPERATION EXPENSE</b>				
Transmission expense . . . . .	5	66	164,558.28	193,243.18
Distribution expense . . . . .	5	67	5,526,558.73	5,382,074.18
Customer accounts expense . . . . .	5	68	3,301,748.73	3,269,160.90
Customer service and informational expense . . . . .	5	69	595,024.51	460,744.14
Sales expense . . . . .	5	70	217,938.79	261,032.74
Administrative and general expense . . . . .	6	71	5,116,716.84	4,976,378.64
<b>Operation expense . . . . .</b>	6	72	<b>14,922,545.88</b>	<b>14,542,633.78</b>
<b>MAINTENANCE EXPENSE</b>				
Transmission expense . . . . .	6	73	378,874.84	283,248.84
Distribution expense . . . . .	6	74	5,711,546.74	5,050,616.75
Administrative and general expense . . . . .	6	75	202,273.44	243,722.53
<b>Maintenance expense . . . . .</b>	6	76	<b>6,292,695.02</b>	<b>5,577,588.12</b>
<b>OTHER OPERATING EXPENSE</b>				
Depreciation expense . . . . .	12	77	7,485,588.54	7,212,571.27
Amortization of acquisition adjustment . . . . .	13	78		
Taxes and tax equivalents . . . . .	29	79	5,047,274.90	4,186,488.82
<b>Other operating expense . . . . .</b>	----	80	<b>12,532,863.44</b>	<b>11,399,060.09</b>
<b>TOTAL OPERATING EXPENSE AND PURCHASED POWER . . . . .</b>	----	81	<b>165,220,074.34</b>	<b>152,426,140.47</b>
<b>INCOME</b>				
Operating income (item 64, less item 81) . . . . .	----	82	11,299,616.77	8,400,155.99
Other income . . . . .	16	83	837,960.79	1,189,080.69
<b>Total income . . . . .</b>	----	84	<b>12,137,577.56</b>	<b>9,589,236.68</b>
Miscellaneous income deductions . . . . .	16	85	41,007.31	37,003.49
<b>Net income before debt expense . . . . .</b>	----	86	<b>12,096,570.25</b>	<b>9,552,233.19</b>
<b>DEBT EXPENSE</b>				
Interest on long-term debt - RUS . . . . .	23	87	1,890,321.08	3,019,321.32
Interest on long-term debt - CFC . . . . .	23	88	1,187,996.45	338,441.19
Interest on long-term debt - CoBank . . . . .	23	89	399,867.48	665,860.97
Interest on long-term debt - other . . . . .	26	90.1	817,795.22	613,119.43
Interest - TVA . . . . .	26	90.2		
Other interest expense . . . . .	----	92	148,539.33	135,048.35
Amortization of debt discount and expense . . . . .	----	93		
Amortization of premium on debt - credit . . . . .	----	94		
<b>Total debt expense . . . . .</b>	----	95	<b>4,444,519.56</b>	<b>4,771,791.26</b>
<b>NET INCOME</b>				
Net income before extraordinary items (item 86, less item 95) . . . . .	----	96	7,652,050.69	4,780,441.93
Extraordinary items . . . . .	33	97		
<b>Net Income . . . . .</b>	2	98	<b>7,652,050.69</b>	<b>4,780,441.93</b>

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

PAGE 4

<b>STATEMENT OF CASH FLOWS</b>		
Increase (Decrease) In Cash and Cash Equivalents		
	THIS YEAR	LAST YEAR
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Net Income .....	7,652,050.69	4,780,441.93
<b>Adjustments to Reconcile Net Income to Net Cash:</b>		
Depreciation .....	8,028,834.56	7,742,647.46
<b>Amortization of:</b>		
Acquisition Adjustment .....		
Additions to TVA Leases .....		
Debt Premium or Discount .....		
(Gain) or Loss on Sale of Plant .....		
<b>Changes in Current and Deferred Items:</b>		
Accounts Receivable .....	(3,271,897.57)	(324,254.29)
Materials and Supplies .....	107,594.90	1,100,032.69
Prepayments and Other Current Assets .....	(799,879.69)	248,862.54
Deferred Debits .....	99,273.76	30,469.59
Accounts Payable .....	(450,224.48)	12,835,566.78
Customer Deposits .....	158,478.22	321,215.67
Taxes and Interest Accrued .....	138,048.87	6,862.78
Other Current Liabilities .....	238,928.30	(48,846.06)
Deferred Credits .....	(35,403.42)	62,437.86
Other .....		
<b>Net Cash Provided by (Used in) Operating Activities .....</b>	<b>11,865,804.14</b>	<b>26,755,436.95</b>
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:</b>		
Additions to Plant .....	(10,153,452.03)	(8,822,090.26)
Removal Cost .....	(833,855.61)	(836,541.50)
Salvage .....	167,122.46	182,431.88
Net Change in Other Property and Investment .....	(178,401.77)	(464,563.73)
Energy Service Loans Receivable .....	11,011.71	20,832.36
Plant Sold (Purchased) - Noninstallment Method .....		
Deferred Costs on TVA Leases (excluding amortization) .....		
Other .....		
<b>Net Cash Provided by (Used in) Investing Activities .....</b>	<b>(10,987,575.24)</b>	<b>(9,919,931.25)</b>
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Additional Long-Term Borrowings .....	36,444,959.17	4,050,000.00
Payment of Principal on Long-Term Debt .....	(31,267,373.37)	(2,541,758.02)
Notes Payable .....	(5,048,441.01)	(9,722,816.84)
Memberships .....	(256.01)	1,870.00
Energy Service Loans Advances .....	(11,307.02)	(23,007.22)
Receipt for Plant Sold - Installment Method .....		
Payment for Plant Purchased - Installment Method .....		
Other .....	32,157.00	(303,513.00)
<b>Net Cash Provided by (Used in) Financing Activities .....</b>	<b>149,738.76</b>	<b>(8,539,225.08)</b>
<b>NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS ..</b>	<b>1,027,967.66</b>	<b>8,296,280.62</b>
<b>CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR .....</b>	<b>16,483,342.08</b>	<b>8,187,061.46</b>
<b>CASH AND TEMPORARY INVESTMENTS END OF YEAR .....</b>	<b>17,511,309.74</b>	<b>16,483,342.08</b>

NOTE: Cash and Temporary Cash Investments include cash on hand and in demand deposits, and those investments which are generally a part of the power distributor's short-term cash management activities.

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
<b>OPERATING EXPENSE</b>					
<b>1. TRANSMISSION</b>					
560	Supervision and engineering. . . . .	9,194.61	11,321.89	6,120.73	7,628.30
561	Load dispatching. . . . .				
562	Station expense. . . . .	60,239.79	70,881.17	7,035.47	14,163.75
563	Overhead line expense. . . . .	95,123.88	111,040.12	10,752.68	19,524.95
564	Underground line expense. . . . .				
566	Miscellaneous. . . . .				
567	Rents. . . . .				
(600)	<b>Total transmission operating expense (page 3, item 66)</b>	<b>164,558.28</b>	<b>193,243.18</b>	<b>23,908.88</b>	<b>41,317.00</b>
<b>2. DISTRIBUTION</b>					
580	Supervision and engineering. . . . .	215,069.32	213,631.39	146,566.15	168,762.75
581	Load dispatching. . . . .				
582	Station expense. . . . .	231,986.82	299,735.85	31,824.25	26,974.63
583	Overhead line expense. . . . .	1,629,657.08	1,519,066.95	501,199.90	422,543.37
584	Underground line expense. . . . .	330,105.69	314,992.54	144,748.09	137,607.91
585	Street lighting and signal system expense. . . . .	40,553.35	47,870.24	8,626.27	13,431.84
586	Meter expense. . . . .	772,643.34	718,137.06	384,118.49	357,693.23
587	Customer installation expense. . . . .	527,397.99	519,984.48	221,125.42	220,646.75
588	Miscellaneous. . . . .	1,674,246.00	1,645,224.81	884,157.30	864,412.12
589	Rents. . . . .	104,899.14	103,430.86		
(605)	<b>Total distribution operating expense (page 3, item 67).</b>	<b>5,526,558.73</b>	<b>5,382,074.18</b>	<b>2,322,365.87</b>	<b>2,212,072.60</b>
<b>3. CUSTOMER ACCOUNTS EXPENSE</b>					
901	Supervision. . . . .	131,869.41	121,096.66	87,863.88	81,642.52
902	Meter reading expense. . . . .	492,155.65	530,515.02	211,327.33	211,691.58
903	Customer records and collection expense. . . . .	2,320,341.43	2,286,407.33	1,099,175.88	1,101,122.94
904	Uncollectible accounts. . . . .	357,382.24	331,141.89		
905	Miscellaneous. . . . .				
(610)	<b>Total customer accounts expense (page 3, item 68).</b>	<b>3,301,748.73</b>	<b>3,269,160.90</b>	<b>1,398,367.09</b>	<b>1,394,457.04</b>
<b>4. CUSTOMER SERVICES &amp; INFORMATIONAL EXPENSE</b>					
907	Supervision. . . . .				
908	Customer assistance expense. . . . .	500,933.05	383,221.70	298,084.04	234,464.83
909	Informational and instructional advertising expense. . . . .	94,091.46	77,522.44		
910	Miscellaneous customer service and informational expense. . . . .				
(615)	<b>Total customer services and informational expense (page 3, item 69).</b>	<b>595,024.51</b>	<b>460,744.14</b>	<b>298,084.04</b>	<b>234,464.83</b>
<b>5. SALES EXPENSE</b>					
911	Supervision. . . . .				
912	Demonstrating and selling expense. . . . .	217,938.79	250,557.74	61,483.76	72,854.73
913	Advertising expense. . . . .		10,475.00		
916	Miscellaneous. . . . .				
(620)	<b>Total sales expense (page 3, item 70).</b>	<b>217,938.79</b>	<b>261,032.74</b>	<b>61,483.76</b>	<b>72,854.73</b>

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
<b>6. ADMINISTRATIVE &amp; GENERAL</b>					
920	Administrative and general salaries.....	2,305,217.58	2,295,206.21	1,508,380.46	1,503,474.55
921	Office supplies and expense.....	958,628.54	877,500.31	30,115.42	29,962.73
922	Administrative expense transferred - credit*				
923	Outside services employed.....	130,071.89	197,836.98		
924	Property insurance.....	34,528.56	1,177.25	22,995.55	803.10
925	Injuries and damages.....	177,010.40	251,210.80	83,310.74	100,888.05
926	Employee pensions and benefits.....	471,543.99	287,478.29	127,819.70	118,754.61
927	Franchise requirements*				
928	Regulatory commission expense*				
929	Duplicate charges - credit.....	(45,619.25)	(44,083.97)		
930	Miscellaneous general expense.....	1,085,335.13	1,110,052.77	102,436.51	92,002.21
931	Rents.....				
(625)	<b>Total administrative and general expense (page 3, item 71)....</b>	<b>5,116,716.84</b>	<b>4,976,378.64</b>	<b>1,875,058.38</b>	<b>1,845,885.25</b>
(630)	<b>Total operating expense (Page 3 Item 72).....</b>	<b>14,922,545.88</b>	<b>14,542,633.78</b>	<b>5,979,268.02</b>	<b>5,801,051.45</b>
<b>MAINTENANCE EXPENSE</b>					
<b>1. TRANSMISSION</b>					
568	Supervision and engineering.....				
569	Maintenance of structures.....				
570	Maintenance of station equipment.....	24,809.05	39,217.90	3,107.22	5,203.16
571	Maintenance of overhead lines.....	354,065.79	244,030.94	70,020.81	36,586.90
572	Maintenance of underground lines.....				
573	Miscellaneous.....				
(635)	<b>Total transmission maintenance expense (page 3, item 73)....</b>	<b>378,874.84</b>	<b>283,248.84</b>	<b>73,128.03</b>	<b>41,790.06</b>
<b>2. DISTRIBUTION</b>					
590	Supervision and engineering.....	167,242.63	169,724.95	111,360.18	114,315.87
591	Maintenance of structures.....				
592	Maintenance of station equipment.....	376,465.19	431,858.27	204,027.19	233,226.78
593	Maintenance of overhead lines.....	4,844,877.87	4,149,599.30	1,441,479.01	1,185,436.52
594	Maintenance of underground lines.....	77,989.95	79,464.20	42,605.90	42,841.19
595	Maintenance of line transformers.....	172,125.51	147,131.72	73,763.38	68,194.71
596	Street lighting and signal systems.....	70,435.11	71,646.35	28,806.19	27,083.91
597	Maintenance of meters.....	2,410.48	1,191.96	426.50	864.25
598	Maintenance of miscellaneous distribution plant.....				
(640)	<b>Total distribution maintenance expense (page 3, item 74)....</b>	<b>5,711,546.74</b>	<b>5,050,616.75</b>	<b>1,902,468.35</b>	<b>1,671,963.23</b>
<b>3. ADMINISTRATIVE &amp; GENERAL</b>					
935	Maintenance of general plant (page 3, items 75).....	202,273.44	243,722.53	40,805.07	45,779.79
(645)	<b>Total maintenance expense (page 3, item 76).....</b>	<b>6,292,695.02</b>	<b>5,577,588.12</b>	<b>2,016,401.45</b>	<b>1,759,533.08</b>
(650)	<b>Total operating and maintenance expense.....</b>	<b>21,215,240.90</b>	<b>20,120,221.90</b>	<b>7,995,669.47</b>	<b>7,560,584.53</b>
(655)	Total direct and indirect payroll charged to construction and retirements.....			2,131,032.18	2,043,227.61
(660)	Payroll charged to other accounts.....			1,404,622.29	1,153,110.02
(662)	Fiscal year net change in accrued leave account - (increase) decrease.....			17,813.19	44,301.23
(665)	<b>Total payroll distribution for year.....</b>			<b>11,549,137.13</b>	<b>10,801,223.39</b>

\*FURNISH DETAILS OF THESE ACCOUNTS ON PAGES 32 AND 33.

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

STATISTICAL DATA																																				
CLASS OF SERVICE	ITEM NO	REVENUE		ITEM NO	KILOWATT-HOURS SOLD																															
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR																														
Residential.....	100	89,043,411.16	75,647,185.58	107	863,459,396	851,935,567																														
Gen. Power - 50 kW & under.....	101	11,925,695.01	10,745,221.45	108	95,131,242	97,650,972																														
Gen. Power - Over 50 kW.....	102	68,998,298.21	58,606,083.97	109	843,305,989	809,502,358																														
Street and athletic.....	103	1,164,165.60	1,092,095.60	110	6,288,685	6,393,446																														
Outdoor lighting.....	104	1,758,395.57	1,767,843.10	111	13,670,080	14,369,211																														
<b>Subtotal.....</b>	<b>330</b>	<b>172,889,965.55</b>	<b>147,858,429.70</b>																																	
Unbilled revenue*.....	331	29,911.93	9,616,917.10																																	
<b>Total (page 3, item 59).....</b>	<b>332</b>	<b>172,919,877.48</b>	<b>157,475,346.80</b>	<b>335</b>	<b>1,821,855,392</b>	<b>1,779,851,554</b>																														
				113	591,102	650,939																														
				114	1,822,446,494	1,780,502,493																														
				336	(11,087,896)	107,010,269																														
<table style="width:100%; border: none;"> <tr> <td style="width: 30%;"></td> <td style="width: 10%;"><b>STATE</b></td> <td style="width: 10%;"><b>SALES TAX</b></td> <td style="width: 20%;"><b>TO ABOVE CLASSES OF REVENUE</b></td> <td style="width: 10%;"><b>CREDITS</b></td> <td style="width: 10%;"><b>GREEN POWER REVENUE</b></td> </tr> <tr> <td>State and local sales tax on above revenue.....</td> <td>KY</td> <td>3,929,203.22</td> <td>Residential.....</td> <td></td> <td>1,308.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Gen. Power - 50 kW &amp; under.....</td> <td></td> <td>240.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Gen. Power - Over 50kW....</td> <td>3,365,019.67</td> <td></td> </tr> <tr> <td></td> <td><b>Total</b></td> <td><b>3,929,203.22</b></td> <td></td> <td></td> <td></td> </tr> </table>								<b>STATE</b>	<b>SALES TAX</b>	<b>TO ABOVE CLASSES OF REVENUE</b>	<b>CREDITS</b>	<b>GREEN POWER REVENUE</b>	State and local sales tax on above revenue.....	KY	3,929,203.22	Residential.....		1,308.00				Gen. Power - 50 kW & under.....		240.00				Gen. Power - Over 50kW....	3,365,019.67			<b>Total</b>	<b>3,929,203.22</b>			
	<b>STATE</b>	<b>SALES TAX</b>	<b>TO ABOVE CLASSES OF REVENUE</b>	<b>CREDITS</b>	<b>GREEN POWER REVENUE</b>																															
State and local sales tax on above revenue.....	KY	3,929,203.22	Residential.....		1,308.00																															
			Gen. Power - 50 kW & under.....		240.00																															
			Gen. Power - Over 50kW....	3,365,019.67																																
	<b>Total</b>	<b>3,929,203.22</b>																																		
PURCHASED POWER																																				
TVA	ITEM NO	AMOUNT		ITEM NO	KILOWATT-HOURS PURCHASED																															
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR																														
Purchased Power.....	115	131,191,121.76	120,612,407.28	119	1,869,163,857	1,935,640,643																														
Facilities Rental.....	116	280,848.24	294,451.20																																	
Other Charges/Credits.....	117																																			
<b>Total from TVA.....</b>	<b>118</b>	<b>131,471,970.00</b>	<b>120,906,858.48</b>	<b>122</b>	<b>1,869,163,857</b>	<b>1,935,640,643</b>																														
Other Purchased Power**.....	218			222																																
<b>Subtotal.....</b>	<b>340</b>	<b>131,471,970.00</b>	<b>120,906,858.48</b>																																	
Unbilled Purchases*.....	341																																			
<b>Total (page 3, item 65).....</b>	<b>342</b>	<b>131,471,970.00</b>	<b>120,906,858.48</b>	<b>345</b>	<b>1,869,163,857</b>	<b>1,935,640,643</b>																														
				123	1,822,446,494	1,780,502,493																														
				124	46,717,363	155,138,150																														
				125	2.50	8.02																														
				346																																
Less kilowatt hours sold and used (item 114)..... Line losses and kilowatt-hours unaccounted for..... Percent of losses to purchases (2 decimal places)..... Kilowatt-hours in unbilled purchases (Item 341) above*...																																				
**Purchased other power under contract number _____ from _____																																				
NUMBER OF CUSTOMERS				MISCELLANEOUS DATA																																
CLASS OF SERVICE		MONTH OF JUNE			THIS YEAR	LAST YEAR																														
		THIS YEAR	LAST YEAR																																	
Residential.....	(675)	50,064	49,667	Pole Line Miles: (2 decimal places) (715)	5,622.00	5,619.00																														
Gen. Power - 50 kW & under..	(680)	9,181	9,217	Individual Outdoor Lts.																																
Gen. Power - Over 50 kW....	(685)	687	669	No. in plant..... (720)	20,605	20,173																														
Street and athletic.....	(690)	215	213	Total investment..... (725)	5,256,724.37	5,146,608.61																														
Outdoor Lighting - Excl. Code 77.....	(693)	224	226	O&M expense..... (730)	140,988.46	120,660.64																														
<b>Total.....</b>	<b>(695)</b>	<b>60,371</b>	<b>59,992</b>	St. Ltg-Invest. Base... (735)	4,078,763.13	3,949,109.72																														
Outdoor Lighting - Code 77... (697)		12,573	12,605	O&M expense..... (740)	129,844.36	119,516.59																														
				Lamps & Glassware... (745)	1,618.78	1,490.02																														
*Item nos. 331, 336, 341, and 346 are to be filled in only if distributor chooses the option to estimate unbilled electric sales.																																				

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

MODIFIED STREET LIGHTING COMPUTATION				
Give computation of modified street lighting rate relative to lamps and glassware by customers, if applicable:				
TOWN	COST OF LAMPS AND GLASSWARE	KWH	ALLOWANCE	EXCESS TO BE BILLED
		FROM STAT. REPT.	KWH X .003	
TOTAL:				

Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ELECTRIC PLANT							
ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
	<b>INTANGIBLE</b>						
301	Organization.....						
302	Franchises and consents.....						
303	Miscellaneous.....						
(750)	<b>Total intangible.....</b>						
	<b>PRODUCTION</b>						
755	<b>Total production.....</b>						
	<b>TRANSMISSION</b>						
350	Land and land rights.....	2,973,538.48					2,973,538.48
351	Clearing land and rights of way.....						
352	Structures and improvements.....						
353	Station equipment.....	8,068,334.74					8,068,334.74
354	Towers and fixtures.....	68,716.20					68,716.20
355	Poles and fixtures.....	7,481,768.60	391,439.16	112,564.72			7,760,643.04
356	Overhead conductors and devices.....	3,302,717.93	737,064.88	41,181.62			3,998,601.19
357	Underground conduit.....						
358	Underground conductors and devices.....						
359	Roads and trails.....						
(760)	<b>Total transmission.....</b>	<b>21,895,075.95</b>	<b>1,128,504.04</b>	<b>153,746.34</b>			<b>22,869,833.65</b>
	<b>DISTRIBUTION</b>						
360	Land and land rights.....	412,872.40					412,872.40
361	Structures and improvements.....						
362	Station equipment.....	22,789,559.74	5,458,556.09				28,248,115.83
363	Storage battery equipment.....						
364	Poles, towers, and fixtures.....	50,940,717.29	1,796,444.33	532,896.52			52,204,265.10
365	Overhead conductors and devices.....	25,858,776.84	826,385.90	145,862.43			26,539,300.31
366	Underground conduit.....						
367	Underground conductors and devices.....	10,793,650.58	478,976.49	26,619.02			11,246,008.05
368	Line transformers.....	32,313,396.85	1,236,991.70	350,271.73			33,200,116.82
369	Services.....	20,467,419.55	876,294.79	229,336.12			21,114,378.22
370	Meters.....	8,688,626.15	347,989.70	121,734.59			8,914,881.26
371	Inst. on customers' premises.....	5,146,608.61	159,730.26	49,614.50			5,256,724.37
372	Leased prop. on cust. premises.....						
373	St. lighting and signal systems.....	3,949,109.72	145,263.29	15,609.88			4,078,763.13
(765)	<b>Total distribution.....</b>	<b>181,360,737.73</b>	<b>11,326,632.55</b>	<b>1,471,944.79</b>			<b>191,215,425.49</b>

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ELECTRIC PLANT							
ACCT. NO.	GENERAL	BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
389	Land and land rights . . . . .	257,766.77					257,766.77
390	Structures and improvements . . . . .	7,233,360.65	63,272.53				7,296,633.18
391	Office furniture and equipment . . . . .	2,272,435.76	55,718.71				2,328,154.47
392	Transportation equipment . . . . .	5,778,916.97	752,938.55	480,122.44			6,051,733.08
393	Stores equipment . . . . .		4,966.44				4,966.44
394	Tools, shop, and garage equip. . . . .	762,142.43	62,914.25	1,058.94			823,997.74
395	Laboratory equipment . . . . .	276,432.17	27,644.92				304,077.09
396	Power operated equipment . . . . .	396,420.27	73,321.23	19,547.80			450,193.70
397	Communication equipment . . . . .	2,707,052.87	406,079.13	48,491.00			3,064,641.00
398	Miscellaneous equipment . . . . .	363,364.15	27,561.67	2,107.82			388,838.00
399	Other tangible property . . . . .						
(770)	<b>Total general . . . . .</b>	<b>20,047,912.04</b>	<b>1,474,417.43</b>	<b>551,328.00</b>			<b>20,971,001.47</b>
101	<b>Total plant in service . . . . .</b>	<b>223,303,725.72</b>	<b>13,929,554.02</b>	<b>2,177,019.13</b>			<b>235,056,260.61</b>
102	Electric plant purchased or sold . . . . .						
104	Electric plant leased to others . . . . .						
105	Electric plant for future use . . . . .						
107	Construction work in progress . . . . .	5,080,544.77	(3,776,101.99)				1,304,442.78
(775)	<b>Total other electric plant . . . . .</b>	<b>5,080,544.77</b>	<b>(3,776,101.99)</b>				<b>1,304,442.78</b>
(780)	<b>Total electric plant (page 1, item 1) . . . . .</b>	<b>228,384,270.49</b>	<b>10,153,452.03</b>	<b>2,177,019.13</b>			<b>236,360,703.39</b>
			(Item 140)				
	<b>RESERVES</b>						
108	Accumulated provision for depreciation of electric plant in service . . . . .					96,952,121.08	
109	Accumulated provision for depreciation of electric plant leased to others . . . . .						
110	Accumulated provision for depreciation of electric plant held for future use . . . . .						
	<b>Total accumulated provision for depreciation (page 1, item 2 and page 11) . . . . .</b>					<b>96,952,121.08</b>	
	<b>Total electric plant, less accumulated provision for depreciation (page 1, item 3) . . . . .</b>						<b>139,408,582.31</b>
<b>Reclassification Columns</b>				<b>Explanations of entries shown in the Reclassification Columns:</b>			
Includes major corrections to prior years additions and retirements, transfers between accounts classified in prior years, and classification of plant purchased and/or sold.							

**Warren Rural Electric Cooperative Corporation**

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

PAGE 11

ACCUMULATED PROVISION FOR DEPRECIATION (Page 10)										
ACCT. NO.	DEPR. RATE	BALANCE BEG. OF YEAR	ACCRUAL	ORIGINAL COST	REMOVAL COST	SALVAGE	OTHER ENTRIES*		BALANCE END OF YEAR	% DEPR.
							DEBIT	CREDIT		
350		74,342.03							74,342.03	3
351										
352										
353	3.0	4,211,755.85	242,050.08						4,453,805.93	55
354	0	58,833.52							58,833.52	86
355	3.33	2,854,003.22	255,765.80	112,564.72	57,859.90	2,449.95			2,941,794.35	38
356	2.75	2,362,356.66	101,632.90	41,181.62	13,975.82	480.51			2,409,312.63	60
357										
358										
359										
<b>(785) TOTAL</b>		<b>9,561,291.28</b>	<b>599,448.78</b>	<b>153,746.34</b>	<b>71,835.72</b>	<b>2,930.46</b>			<b>9,938,088.46</b>	<b>43</b>
360										
361										
362	3.7	11,548,059.13	884,492.67						12,432,551.80	44
363										
364	3.00	17,339,436.80	1,547,281.21	532,896.52	334,621.31	12,827.04			18,032,027.22	35
365	2.50	9,226,039.93	654,356.15	145,862.43	79,370.68	3,438.00			9,658,600.97	36
366										
367	3.00	2,592,342.48	329,570.03	26,619.02	13,765.14	483.74			2,882,012.09	26
368	3.00	11,161,535.80	986,010.77	350,271.73	146,004.99	67,821.32			11,719,091.17	35
369	6.00	10,601,935.61	1,250,194.87	229,336.12	146,194.45	5,819.68			11,482,419.59	54
370	3.00	1,172,185.94	265,428.18	121,734.59					1,315,879.53	15
371	7.00	4,385,305.30	110,115.76	49,614.50	31,883.27	1,177.75			4,415,101.04	84
372										
373	7.00	2,252,823.67	281,390.01	15,609.88	10,180.05	342.70			2,508,766.45	62
<b>(790) TOTAL</b>		<b>70,279,664.66</b>	<b>6,308,839.65</b>	<b>1,471,944.79</b>	<b>762,019.89</b>	<b>91,910.23</b>			<b>74,446,449.86</b>	<b>39</b>
389										
390	3.00	3,395,184.48	218,201.58						3,613,386.06	50
391	various	2,004,259.70	118,695.05			(374.21)			2,122,580.54	91
392	various	3,230,269.69	533,403.51	480,122.44		57,330.22			3,340,880.98	55
393	0		4,966.44						4,966.44	100
394	4.00	514,928.84	45,683.95	1,058.94		1,087.88			560,641.73	68
395	8.0	187,169.69	11,960.58						199,130.27	65
396	5.00	154,930.25	25,189.67	19,547.80		12,237.00			172,809.12	38
397	10.00	2,150,579.89	133,803.16	48,491.00		2,000.00			2,237,892.05	73
398	5.00	288,760.32	28,642.19	2,107.82		.88			315,295.57	81
399										
<b>(795) TOTAL</b>		<b>11,926,082.86</b>	<b>1,120,546.13</b>	<b>551,328.00</b>		<b>72,281.77</b>			<b>12,567,582.76</b>	<b>60</b>
<b>(800) OTHER</b>										
<b>(805) TOTALS</b>		<b>91,767,038.80</b>	<b>8,028,834.56</b>	<b>2,177,019.13</b>	<b>833,855.61</b>	<b>167,122.46</b>			<b>96,952,121.08</b>	<b>41</b>

\*Use other entries to report depreciation on property purchased, classifying accruals, unusual entries - explain on page 33.

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**ACCUMULATED PROVISION FOR DEPRECIATION - CONTINUED**

Depreciation expense (403 and 404) (page 3, item 77) .....	(810)	7,485,588.54
Depreciation charged to transportation expense - clearing. ....	(815)	543,246.02
Depreciation charged to building expense - clearing. ....	(820)	
Depreciation charged to other accounts (list each account number) .....	(825)	
.....	(830)	
.....	(835)	
.....	(840)	
<b>Total accrual (page 11) .....</b>	<b>(Item 128)</b>	<b>8,028,834.56</b>

Explanations (continue on page 33 if necessary)



**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

<b>INVESTMENTS IN ASSOCIATED COMPANIES</b> (Report only the investments not considered as current assets)			
<b>OTHER INVESTMENTS - GENERAL FUNDS</b>			
Investments included in Accounts 123 and 124			
DESCRIPTION OF INVESTMENTS (GROUP BY TYPE OF INVESTMENT AND SHOW NO. OF INVESTMENTS)	BALANCE END OF YEAR	INCOME	GAIN OR (LOSS) ON SALES
KAEC- Certificate of Deposit (2)	55,000.00	200.96	
KAEC- Debenture (1)	2,000.00	90.00	
CoBank- Stock	1,000.00		
CFC - Member Capital	25,000.00	1,750.00	
CFC- Capital Term Certificates (24)	2,112,137.27	95,457.49	
Investment in Penwar (50% ownership)	32,430.77		
Investment in Subsidiary Propane Energy Partners	3,309,520.59		
Investment in Subsidiary- Millennium Energy	880,163.36		
Bonds (2)	1,500.00		
EPSI Investment in Federated	4,333.71		
<b>Subtotal</b>	<b>6,423,085.70</b>	<b>97,498.45</b>	
	(page 1, item 8)	(account 419, page 16)	
<b>INVESTMENTS OF FUNDS OTHER THAN GENERAL FUNDS</b>			
(Investments included in Accounts 125, 126, and 128 - page 15)			
Director's Deferred Compensation	69,859.11		
<b>Subtotal</b>	<b>69,859.11</b>		
	(page 15)	(account 419, page 16)	
<b>CASH AND TEMPORARY CASH INVESTMENTS - GENERAL FUNDS</b>			
(Report only investments considered as current assets)			
Commercial Paper		652.87	
Repurchase Agreement	16,600,228.18	5,536.53	
RUS Cushion of Credit		97,340.00	
<b>Total Temporary Cash Investments</b>	<b>16,600,228.18</b>	<b>103,529.40</b>	
CASH (Accounts 131 - 135)	911,081.56	270.39	
<b>Subtotal</b>	<b>17,511,309.74</b>	<b>103,799.79</b>	
	(page 1, item 14)	(account 419, page 16)	
<b>Grand Total</b>	<b>24,004,254.55</b>	<b>201,298.24</b>	

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

PAGE 15

SPECIAL FUNDS					
	ACCOUNT 125	ACCOUNT 126	ACCOUNT 128		TOTAL OF ALL SPECIAL FUNDS
	TOTAL SINKING FUNDS	DEPRECIATION FUNDS	CONSTRUCTION FUNDS	TOTAL OTHER SPECIAL FUNDS	
Cash included in fund end of year. . . . .					
Investments in fund end of year (page 14). . . . .				69,859.11	69,859.11
Balance of fund end of year (page 1). . . . .				69,859.11	69,859.11
	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)		
Minimum balance required*. . . . .					
Authority creating fund**					
<p>* Explain difference if fund balance is less than minimum required.                      ** State whether fund is required by bond contract, board action, etc.</p> <p>Total Sinking</p> <p>Depreciation</p> <p>Construction</p> <p>Other                      Director's Deferred Compensation</p>					
<p>Note: Report all debt service funds as sinking funds.                      Report all funds for renewals and replacements as depreciation funds.</p>					
NONUTILITY PROPERTY (Account 121)					
DESCRIPTION AND LOCATION OF PROPERTY			DATE ACQUIRED	BOOK COST	NET INCOME (ACCOUNT 418)
Old WRECC Corporate Office Building Bowling Green					141,635.78
Amortization of PEP Goodwill					(15,000.00)
Amortization of PEP Asset Appreciation					253,041.90
Equity in Subsidiary Companies					
Total. . . . .					379,677.68
Less accumulated provision for depreciation (account 122). . . . .					
Total net of depreciation (page 1, item 7). . . . .					(page 16)



**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ACCT. NO.	MATERIALS AND SUPPLIES	
154	Plant materials and operating supplies.....	2,835,831.91
155	Merchandise.....	11,174.04
156	Other materials and supplies.....	
163	Stores expense undistributed.....	
(855)	<b>Total materials and supplies (page 1, item 16).....</b>	<b>2,847,005.95</b>
Give dates of physical inventories this year: <u>10/13/2010</u>		
Total of adjustments: \$ <u>33,227.65</u> over, or \$ _____ short		
PREPAYMENTS - Account No. 165		
	Prepaid insurance.....	548,761.78
	Prepaid employee pension plan.....	
	Prepaid taxes (page 29).....	
	Prepaid rents.....	
	Other prepayments.....	563,327.25
	<b>Total prepayments (page 1, item 17).....</b>	<b>1,112,089.03</b>
ACCT. NO.	OTHER CURRENT ASSETS	
171	Interest and dividends receivable.....	39,251.44
172	Rents receivable.....	340,478.48
173	Accrued utility revenue.....	
174	Miscellaneous current and accrued assets.....	
	<b>Total other current assets (page 1, item 18).....</b>	<b>379,729.92</b>
ACCT. NO.	DEFERRED DEBITS	
181	Unamortized debt expense (page 1, item 20).....	
Give method and period of amortization:		
186	Deferred costs on TVA leases (page 1, item 25)	
	Additions	
	Removal Costs	
	Salvage	
	Accumulated Amortization	
	<b>Total as above</b>	
186	Miscellaneous deferred debits (page 1, item 26)	538,434.85
List of Items:		
	Receivables from plant sales (item 148)	
	Other Items (list):	
	Computer Software/Fees	176,320.32
	Customer Loans Receivable	2,372.33
	R&S Plan Amendment 1/2000	359,742.20
	<b>Total as above</b>	<b>538,434.85</b>



**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200		CAPITAL LEASE	CURRENT MATURITIES OF LONG TERM DEBT		CoBank Line of Credit	
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2011						
2012						
2013						
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OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200	DIRECTOR'S DEFERRED COMPENSATION		FFB LONG TERM DEBT		POST RETIREMENT BENEFITS	
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2011						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
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OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE					
DETAILS REGARDING BONDS ON PAGE					
MATURITIES: MONTH AND DAY 100					
NAME OF ISSUE 200					
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	TOTAL MATURITIES
2011					
2012					
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
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OUTSTANDING END OF YEAR 300					

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SUMMARY OF LONG-TERM DEBT - RUS										
NOTE NUMBER	DATE OF NOTE	INT. RATE	TERM OF NOTE (YR)	DATE REPAYMENTS BEGIN MO/YEAR	AMOUNT OF ALLOTMENT	BALANCE DUE ON ALLOTMENT (ACCOUNT 224.2)	AMOUNT REPAID THIS YEAR			OUTSTANDING END OF YEAR EXCLUDING CUSHION OF CREDIT
							PRINCIPAL	INTEREST	DEFERRED INTEREST	
01-1B360	3/24/78	5.00	35	05/84	2,642,000.00		820,005.52	15,196.99		
02-1B362	3/24/78	5.00	35	05/84	2,642,000.00		820,008.85	15,197.06		
03-1B370	2/10/84	5.00	35	04/86	1,412,000.00		612,019.26	8,882.74		
04-1B372	2/10/84	5.00	35	04/86	1,412,000.00		612,019.26	8,882.74		
05-1B380	11/10/88	5.00	35	02/91	5,106,000.00		3,093,057.11	45,088.05		
06-1B383	11/10/88	5.00	35	02/93	5,106,000.00		3,180,381.23	46,362.51		
07-1A396	2/6/95	5.00	35	04/98	1,500,000.00		1,156,240.73	16,890.55		
08-1A397	2/6/95	5.00	35	04/98	1,200,000.00		924,992.67	13,512.43		
09-1A398	2/6/95	5.00	35	04/98	1,300,000.00		1,002,075.40	14,638.47		
10-1A590	2/6/95	5.00	35	04/98	154,000.00		118,707.51	1,734.10		
11-1B390	2/6/95	5.00	35	04/96	3,000,000.00		2,251,078.63	32,883.50		
12-1B391	2/6/95	5.00	35	04/96	1,154,000.00		865,914.99	12,649.18		
13-1A400	2/1/99	5.00	35	02/2001	2,952,000.00		2,524,519.77	36,917.72		
14-1A401	2/1/99	5.00	35	02/2001	1,300,000.00		1,111,746.57	16,257.81		
15-1A402	2/1/99	5.00	35	02/2001	2,000,000.00		1,710,379.28	25,012.00		
16-1A403	2/1/99	5.00	35	02/2001	1,700,000.00		1,453,822.40	21,260.21		
17-1A410	2/1/01	5.00	35	10/2002	2,300,000.00		2,038,314.48	29,815.66		
18-1A411	2/1/01	5.00	35	10/2002	2,000,000.00		1,772,447.35	25,926.68		
19-1A412	2/1/01	5.00	35	10/2002	1,600,000.00		1,417,957.92	20,741.35		
20-1A413	2/1/01	5.00	35	10/2002	1,500,000.00		1,329,335.49	19,445.02		
21-1B414	2/1/01	5.00	35	02/2004	1,648,000.00		1,485,767.79	21,733.53		
22-A420	11/1/04	4.24	35	11/2006	3,000,000.00		50,373.60	118,826.40		2,774,722.55
23-A421	11/1/04	4.71	35	11/2006	4,000,000.00		62,560.38	176,959.62		3,722,514.08
24-A422	11/1/04	4.58	35	11/2006	6,000,000.00		95,801.37	257,718.63		5,574,110.62
25-A423	11/1/04	4.88	35	10/2006	6,000,000.00		91,325.27	275,874.73		5,602,629.19
26-A424	11/1/04	4.78	35	03/2007	6,000,000.00		92,843.62	271,476.38		5,628,065.72
27-B425	11/1/07	4.43	35	12/2007	5,000,000.00		82,942.92	211,057.08		4,718,472.00
28-B426	2/1/08	4.35	35	03/2008	3,274,000.00		55,212.83	136,119.73		3,098,716.57
29-Notes Pay				/						(557,078.62)
30-				/						
31-				/						
32-				/						
33-				/						
34-				/						
35-				/						
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<b>(860) Total.....</b>					<b>76,902,000.00</b>		<b>30,831,852.20</b>	<b>1,897,060.87</b>		<b>30,562,152.11</b>
List Note Numbers Paid Monthly: 1B370 1B372 1B390 1B383 1A396 1A397 1A398 1A590 1B390 1B391 1A400 1A401 1A402 1A403										

\*EXCLUDING CUSHION OF CREDIT.

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

PAGE 22

SUMMARY OF LONG-TERM DEBT - CFC AND/OR COBANK											
NOTE NUMBER	DATE OF NOTE	INT. RATE	CFC OR COBANK	TERM OF NOTE (YR)	AMOUNT OF LOAN APPROVED	UNADVANCED LOAN	AMT REPAYD THIS YEAR FOR REGULAR BILLINGS		OUTSTANDING END OF YEAR	RUS LOAN SUPPLEMENTED	
							PRINCIPAL	INTEREST		NOTE NUMBER	%
01-9008-V	8/15/76	6.05	CFC	35	534,000.00		38,612.56	1,433.72		B340/342	20.00
02-9010-V	4/25/78	6.05	CFC	35	1,313,000.00		89,721.01	13,368.46	170,578.20	B350/352	20.00
03-9014-V	3/24/81	6.15	CFC	35	2,384,000.00		126,215.33	47,667.08	716,906.32	B360/362	30.00
04-9015	2/10/84	4.20	CFC	35	1,210,300.00		58,431.04	23,511.95	546,002.43	B370/372	30.00
05-9016-V	11/10/88	6.15	CFC	35	4,377,000.00		140,146.74	167,404.62	2,709,077.03	B380/382	30.00
06-9020-01 V	9/1/98	6.10	CFC	15	1,645,286.00		146,149.86	24,632.98	320,232.22	N/A	
07-RX0134T1	4/14/04	4.60	COBANK	9	2,382,232.00		290,333.13	34,616.06	568,164.96	N/A	
08-RX0134T2	4/14/04	4.22	COBANK	7	1,619,869.00		218,805.57	4,874.43		N/A	
09-RI0134T4	3/1/05	4.45	COBANK	10	1,250,000.00		128,331.47	40,796.67	539,251.93	N/A	
10-RI0134T5	11/2/05	5.66	COBANK	6	1,402,033.00		38,901.95	70,941.87	1,212,867.06	N/A	
11-RI0134T6	11/2/05	5.83	COBANK	10	1,725,995.00		47,161.75	90,189.61	1,497,482.15	N/A	
12-RI0134T7	3/1/08	3.91	COBANK	3	13,000,000.00		3,394,087.32	64,497.23		N/A	
13-RI0134T8	2/20/09	6.78	COBANK	8	824,640.38		86,014.44	48,802.79	658,234.63	N/A	
14-9023001	10/15/10	2.10	CFC	1	1,390,366.35		924,482.03	15,938.13	465,884.32	N/A	
15-9023002	10/15/10	2.35	CFC	2	1,534,818.19			22,629.11	1,534,818.19	N/A	
16-9023003	10/15/10	2.75	CFC	3	1,604,448.23			27,682.23	1,604,448.23	N/A	
17-9023004	10/15/10	3.10	CFC	4	1,447,516.78			28,153.21	1,447,516.78	N/A	
18-9023005	10/15/10	3.40	CFC	5	1,521,509.54			32,456.09	1,521,509.54	N/A	
19-9023006	10/15/10	3.70	CFC	6	1,416,927.58			32,891.14	1,416,927.58	N/A	
20-9023007	10/15/10	3.95	CFC	7	1,334,441.25			33,070.38	1,334,441.25	N/A	
21-9023008	10/15/10	4.15	CFC	8	1,401,664.03			36,495.11	1,401,664.03	N/A	
22-9023009	10/15/10	4.30	CFC	9	1,375,388.60			37,105.35	1,375,388.60	N/A	
23-9023010	10/15/10	4.45	CFC	10	1,363,592.02			38,070.37	1,363,592.02	N/A	
24-9023011	10/15/10	4.55	CFC	11	1,435,012.52			40,964.69	1,435,012.52	N/A	
25-9023012	10/15/10	4.65	CFC	12	1,507,641.36			43,983.88	1,507,641.36	N/A	
26-9023013	10/15/10	4.70	CFC	13	1,584,775.01			46,731.33	1,584,775.01	N/A	
27-9023014	10/15/10	4.80	CFC	14	1,202,065.13			36,200.27	1,202,065.13	N/A	
28-9023015	10/15/10	4.90	CFC	15	1,071,407.65			32,937.71	1,071,407.65	N/A	
29-9023016	10/15/10	5.00	CFC	16	1,125,703.85			35,313.17	1,125,703.85	N/A	
30-9023017	10/15/10	5.00	CFC	17	1,183,296.91			37,119.86	1,183,296.91	N/A	
31-9023018	10/15/10	5.00	CFC	18	1,243,469.73			39,007.48	1,243,469.73	N/A	
32-9023019	10/15/10	5.05	CFC	19	1,070,485.15			33,916.79	1,070,485.15	N/A	
33-9023020	10/15/10	5.10	CFC	20	912,759.42			29,205.79	912,759.42	N/A	
34-9023021	10/15/10	5.10	CFC	21	959,457.86			30,700.02	959,457.86	N/A	
35-9023022	10/15/10	5.15	CFC	22	1,008,378.80			32,581.69	1,008,378.80	N/A	
36-9023023	10/15/10	5.15	CFC	23	1,060,247.64			34,257.62	1,060,247.64	N/A	
37-9023024	10/15/10	5.15	CFC	24	244,585.57			7,902.79	244,585.57	N/A	
38-LOC - CB			COBANK					67,154.44			
39-LOC - CFC			CFC					25,796.81			
40-NOTE PAY			CFC						(2,222,248.70)		
41-NOTES PAY			COBANK						(601,585.45)		
<b>(865) Total</b>					<b>63,668,314.55</b>		<b>5,727,394.20</b>	<b>1,511,002.93</b>	<b>35,190,439.92</b>		

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

LONG-TERM DEBT - RUS		
ACCT.	PRINCIPAL DATA	AMOUNT
224.1	Long-term debt - RUS . . . . .	30,562,152.11
224.2	Unadvanced RUS allotment - debit (page 21) . . . . .	
224.3	Deferred interest - RUS . . . . .	
224.4	Long-term debt - RUS - matured and deferred . . . . .	
224.5	Cushion of credit - RUS - debit . . . . .	(805,505.29)
	Net balance due RUS as above (page 2, item 36) . . . . .	29,756,646.82
	Total additions to RUS long-term debt this year . . . . . (Item 132)	<input type="text"/>
	Repayments for the year excluding advance payments . . . . . (Item 143)	30,831,852.20
INTEREST ACCRUED - RUS (Account 237.1)		
	Balance beginning of year (matured \$.00) . . . . .	6,739.79
	Accrued during year (Account 427.1) (page 3, item 87) (page 26 summary) . . . . .	1,890,321.08
	Repayments this year . . . . .	1,897,060.87
	Balance end of year (matured \$.00) (page 2, item 49)(page 26 summary) . . . . .	
LONG-TERM DEBT - CFC		
ACCT.	PRINCIPAL DATA	AMOUNT
223.1	Subscriptions to CFC capital term certificates - debit . . . . .	(106,800.00)
223.2	Unpaid subscriptions to CFC capital term certificates - credit . . . . .	106,800.00
223.4	CFC loan approved - unadvanced - debit (page 22) . . . . .	-
223.5	Long-term debt - CFC credit . . . . .	31,316,024.64
223.61	Patronage capital certificates - debit . . . . .	-
223.62	Deferred patronage dividends - credit . . . . .	-
	Net CFC account (account 223) ( page 2, item 37) . . . . .	31,316,024.64
	Total additions to CFC long-term debt this year . . . . . (Item 135)	29,999,959.17
	Repayments for the year excluding advance payments . . . . . (Item 144)	1,523,758.57
INTEREST ACCRUED - CFC (Account 237.2)		
	Balance beginning of year (matured \$.00) . . . . .	24,385.48
	Accrued during year (Account 427.1) (page 3, item 88) (page 26 summary) . . . . .	1,187,996.45
	Repayments this year . . . . .	1,089,129.83
	Balance end of year (matured \$.00) (page 2, item 50)(page 26 summary) . . . . .	123,252.10
LONG-TERM DEBT - COBANK		
ACCT.	PRINCIPAL DATA	AMOUNT
229.10	Long Term Debt - CoBank - credit . . . . .	3,874,415.28
229.20	Unadvanced allotment - CoBank - debit . . . . .	-
229.30	Subscription to class "C" stock - CoBank - debit . . . . .	
229.40	Unpaid subscription to class "C" stock - CoBank - credit . . . . .	
229.50	Allocated earnings receivable - CoBank - debit . . . . .	-
229.51	Allocated earnings deferred - CoBank - credit . . . . .	-
	Net CoBank account (account 229) (page 2, item 38) . . . . .	3,874,415.28
	Amount received on allotment this year . . . . . (Item 136)	<input type="text"/>
	Repayments this year . . . . . (Item 145)	4,203,635.63
INTEREST ACCRUED - COBANK (Account 237.6)		
	Balance beginning of year (matured \$.00) . . . . .	31,307.65
	Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary) . . . . .	399,867.48
	Repayments this year . . . . .	421,873.10
	Balance end of year (matured \$.00) (page 2, item 51)(page 26 summary) . . . . .	9,302.03

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)			
Name of issue: <u>CURRENT MATURITIES OF LONG TERM DEBT</u>			
Date of issue: _____		Amount of original issue: \$ _____	
Cash realized: \$ _____	Discount: \$ _____	Premium: \$ _____	Exp: \$ _____
If rates are variable, state what index they are tied to and length of time between readjustments: _____			
Interest due dates: \ _____		Principal due dates: \ _____	
Denominations: \$ _____			
Agent for paying principal and interest: _____			
Revenue or general obligation bonds: <u>Other Notes Payable - 231</u>		Issued or assumed: _____	
If assumed from municipality give date and amount assumed: _____ \$ _____			
Amount authorized if different from amount issued: \$ _____			
Purpose of issue: _____			
Conditions under which bonds may be called: _____			
If bonds were called this year give amount called: \$ _____		Price paid: \$ _____	
PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year . . . . .	6,853,942.84	Accrued beginning of year . . . . .	
Issued during year . . . . .	(3,048,441.01)	Accrued during year (427.3) . . . . .	
Total . . . . .	3,805,501.83	Total . . . . .	
Bonds retired this year . . . . .		Payments during year . . . . .	
Balance end of year . . . . .	3,805,501.83	Balance end of Year . . . . .	
Including matured of (239) . . . . .		Including matured of (240) . . . . .	
Balance less matured (221) . . . . .	3,805,501.83	Balance less matured (237.3) . . . . .	
Name of Issue: <u>FFB LONG TERM DEBT</u>			
Date of issue: <u>04/15/1998</u>		Amount of original issue: \$ <u>29,520,000.00</u>	
Cash realized: \$ _____	Discount: \$ _____	Premium: \$ _____	Exp: \$ _____
If rates are variable, state what index they are tied to and length of time between readjustments: _____			
Interest due dates: \ _____		Principal due dates: \ _____	
Denominations: \$ _____			
Agent for paying principal and interest: _____			
Revenue or general obligation bonds: <u>Other - 228</u>		Issued or assumed: _____	
If assumed from municipality give date and amount assumed: _____ \$ _____			
Amount authorized if different from amount issued: \$ _____			
Purpose of issue: <u>Financing of utility plant: \$2.1M 4/1998 at 6.143%; \$1.2 M 10/1998 at 5.191%; \$1.7M 12/1998 at 5.098%; \$7.6M 4/2009 at 3.822%; \$4.05M 12/09 4.384%; \$1.745M 12/10 at 4.246%; \$4.7M 1/11 at 4.247%</u>			
Conditions under which bonds may be called: _____			
If bonds were called this year give amount called: \$ _____		Price paid: \$ _____	
PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year . . . . .	15,378,494.53	Accrued beginning of year . . . . .	
Issued during year . . . . .	6,445,000.00	Accrued during year (427.3) . . . . .	817,795.22
Total . . . . .	21,823,494.53	Total . . . . .	817,795.22
Bonds retired this year . . . . .	455,636.56	Payments during year . . . . .	817,795.22
Balance end of year . . . . .	21,367,857.97	Balance end of Year . . . . .	
Including matured of (239) . . . . .		Including matured of (240) . . . . .	
Balance less matured (221) . . . . .	21,367,857.97	Balance less matured (237.3) . . . . .	

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: POST RETIREMENT BENEFITS  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: PostRetirement - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: FAS 106 & FAS 158 REQUIREMENT

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. . . . .	2,376,571.00	Accrued beginning of year. . . . .	
Issued during year. . . . .		Accrued during year (427.3). . . . .	
Total. . . . .	2,376,571.00	Total. . . . .	
Bonds retired this year. . . . .	(20,157.00)	Payments during year. . . . .	
Balance end of year. . . . .	2,396,728.00	Balance end of Year. . . . .	
Including matured of (239). . . . .		Including matured of (240). . . . .	
Balance less matured (221). . . . .	2,396,728.00	Balance less matured (237.3). . . . .	

Name of issue: CAPITAL LEASE  
 Date of issue: 09/29/2006 Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: Other - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: Lease of Tow Motor / Mitsubishi / Cargo Van

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. . . . .	19,266.42	Accrued beginning of year. . . . .	
Issued during year. . . . .		Accrued during year (427.3). . . . .	
Total. . . . .	19,266.42	Total. . . . .	
Bonds retired this year. . . . .	19,266.42	Payments during year. . . . .	
Balance end of year. . . . .		Balance end of Year. . . . .	
Including matured of (239). . . . .		Including matured of (240). . . . .	
Balance less matured (221). . . . .		Balance less matured (237.3). . . . .	

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: CoBank Line of Credit  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: Other Notes Payable - 233.10  
 Revenue or general obligation bonds: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \_\_\_\_\_

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year . . . . .	2,000,000.00	Accrued beginning of year . . . . .	
Issued during year . . . . .		Accrued during year (427.3) . . . . .	
Total . . . . .	2,000,000.00	Total . . . . .	
Bonds retired this year . . . . .	2,000,000.00	Payments during year . . . . .	
Balance end of year . . . . .		Balance end of Year . . . . .	
Including matured of (239) . . . . .		Including matured of (240) . . . . .	
Balance less matured (221) . . . . .		Balance less matured (237.3) . . . . .	

Name of issue: DIRECTOR'S DEFERRED COMPENSATION  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: PostRetirement - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \_\_\_\_\_

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year . . . . .	57,859.11	Accrued beginning of year . . . . .	
Issued during year . . . . .	12,000.00	Accrued during year (427.3) . . . . .	
Total . . . . .	69,859.11	Total . . . . .	
Bonds retired this year . . . . .		Payments during year . . . . .	
Balance end of year . . . . .	69,859.11	Balance end of Year . . . . .	
Including matured of (239) . . . . .		Including matured of (240) . . . . .	
Balance less matured (221) . . . . .	69,859.11	Balance less matured (237.3) . . . . .	

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: \_\_\_\_\_  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: \_\_\_\_\_ Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \_\_\_\_\_

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

**PRINCIPAL DATA**

**INTEREST ACCRUED**

Balance beginning of year. ....		Accrued beginning of year. ....	
Issued during year. ....		Accrued during year (427.3). ....	
Total. ....		Total. ....	
Bonds retired this year. ....		Payments during year. ....	
Balance end of year. ....		Balance end of Year. ....	
Including matured of (239). ....		Including matured of (240). ....	
Balance less matured (221). ....		Balance less matured (237.3). ....	

**SUMMARY OF LONG-TERM DEBT - BONDS (Account 221) AND OTHER (Account 228)**

	ACCOUNT 221	OTHER* ACCOUNT 228	TOTAL*	POST- RETIREMENT BENEFITS ACCOUNT 228	TVA ACCOUNT 228
Balance beginning of year. ....		15,397,760.95	15,397,760.95	2,434,430.11	
Issued during year. .... (Item 137)		6,445,000.00	6,445,000.00	12,000.00	
Total. ....		21,842,760.95	21,842,760.95	2,446,430.11	
Bonds retired this year. .... (Item 146)		474,902.98	474,902.98	(20,157.00)	
Balance end of year. ....		21,367,857.97	21,367,857.97	2,466,587.11	
Including matured of (239). .... (Item 147)					
Balance less matured (221). ....		21,367,857.97	21,367,857.97	2,466,587.11	

(page 2, item 39.1) (page 2, item 39.2) (page 2, item 39.3)

**SUMMARY OF INTEREST ACCRUED - LONG-TERM DEBT(Account 237)**

	TOTAL
Accrued beginning of year. ....	
Accrued during year (427.3) (page 26). ....	817,795.22
Total. ....	817,795.22
Payments during year. ....	817,795.22
Balance end of year. ....	
Including matured of (240). ....	
Balance less matured (237.3) (page 26). ....	

\*Less TVA Long-term Debt and Postretirement Benefits

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

<b>NOTES PAYABLE (Account 231)</b>										
<b>PRINCIPAL DATA</b>						<b>INTEREST ACCRUED</b>				
Balance beginning of year			8,853,942.84			Accrued beginning of year				
New notes issued during year			(3,048,441.01)			Accrued during year (as below)				
<b>Total</b>			<b>5,805,501.83</b>			<b>Total</b>				
Notes retired this year			2,000,000.00			Payments during year				
Balance end of year			<b>3,805,501.83</b>			Balance end of year (as below)				
Portion of balance TVA (page 2, item 45.1)										
Portion of balance non-TVA (page 2, item 45.2)			3,805,501.83							
<b>CUSTOMER DEPOSITS (Account 235)</b>										
Balance accrued interest on customer deposits end of year										60,804.97
Balance customer deposits end of year (Account 235)										2,532,070.75
<b>Total customer deposits (page 2, item 47)</b>										<b>2,592,875.72</b>
<b>SUMMARY OF ACCRUED INTEREST AND INTEREST EXPENSE</b>										
ACCT. NO.	DESCRIPTION	FROM PAGE NO.	REPORT ON BALANCE SHEET AS INDICATED BELOW			REPORT ON REVENUE AND EXPENSE STATEMENT AS INDICATED BELOW				
			ACCT. NO.	PAGE NO.	ITEM NO.	ACCT. NO.	PAGE NO.	ITEM NO.	EXPENSE FOR YEAR	
221	Bonds	25	237.3	2	52.2	427.3	3	90.1		
223	CFC	23	237.2	2	50	123,252.10	427.2	3	88	
224	RUS	23	237.1	2	49		427.1	3	87	
229	CoBank	23	237.6	2	51	9,302.03	427.4	3	89	
228	TVA long term	25	237.3	2	52.1		427.3	3	90.2	
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	
231	TVA Notes Payable	Above	237.5	2	52.1		431	3	90.2	
231	Other notes payable	Above	237.5	2	52.2		431	3	92	
235	Customer Deposits	Above	235	Above	---		431	3	92	
---	Delinquent taxes	---	237.5	2	52.2		431	3	92	
Total interest accrued end of year						<b>132,554.13</b>	Net expense for year		<b>4,444,519.56</b>	
Total item 49 (page 2)							Total item 87 (page 3)		1,890,321.08	
Total item 50 (page 2)						123,252.10	Total item 88 (page 3)		1,187,996.45	
Total item 51 (page 2)						9,302.03	Total item 89 (page 3)		399,867.48	
Total item 52.1 (page 2)							Total item 90.1 (page 3)		817,795.22	
Total item 52.2 (page 2)							Total item 90.2 (page 3)			
							Total item 92 (page 3)		148,539.33	
ACCT. NO.	<b>ACCOUNTS PAYABLE</b>									
232	Accounts payable - general (includes \$21,137,207.71 to TVA for purchased power and Fac.Rental)									22,208,927.25
232	Accrued purchased power									
233	Accounts payable - spec. const.									
234	Payable to municipal - utility revenue									
234	Other payables to municipality									
<b>Total accounts payable - general (page 2, item 46)</b>										<b>22,208,927.25</b>
ACCT. NO.	<b>OTHER CURRENT AND ACCRUED LIABILITIES</b>									
239	Matured long-term debt (pages 23, 24, and 25)									
240	Matured interest (pages 23, 24, and 25)									
241	Tax collections payable									386,330.88
242	Miscellaneous - accrued insurance									540,569.14
242	Miscellaneous - employees' accrued leave									1,674,527.10
242	Miscellaneous - other									411,822.96
<b>Total other current and accrued liabilities (page 2, item 53)</b>										<b>3,013,250.08</b>
<b>OTHER DEFERRED CREDITS (Account 253)</b>										
Payables for plant purchases; (item 149)										
Other items (List): Advances on Subdivision Lighting										270,885.52
<b>Total other deferred credits (page 2, item 56)</b>										
<b>Total other deferred credits (page 2, item 56)</b>										<b>270,885.52</b>

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

PAYMENTS OF AD VALOREM TAXES OR TAX EQUIVALENTS					
TO WHOM PAID	PERIOD COVERED	AMOUNT	TO WHOM PAID	PERIOD COVERED	AMOUNT
States (list): KY	1/1/10 12/31/10	428,670.62	Cities (list):	1/1/10 12/31/10	
			WOODBURN	1/1/10 12/31/10	741.15
			AUBURN	1/1/10 12/31/10	66,084.54
			BOWLING GREEN	1/1/10 12/31/10	125.47
			SMITHS GROVE	1/1/10 12/31/10	1,062.84
			LEITCHFIELD	1/1/10 12/31/10	317.74
			PARK CITY	1/1/10 12/31/10	516.40
			MORGANTOWN	1/1/10 12/31/10	
	Total states.....	428,670.62			
Counties (list):					
SIMPSON	1/1/10 12/31/10	66,455.18			
OHIO	1/1/10 12/31/10	43,073.86			
BUTLER	1/1/10 12/31/10	90,568.53			
WARREN	1/1/10 12/31/10	195,167.24			
GRAYSON	1/1/10 12/31/10	119,266.60			
LOGAN	1/1/10 12/31/10	25,915.01			
BARREN	1/1/10 12/31/10	2,748.00			
EDMONSON	1/1/10 12/31/10	77,566.11			
	Total counties.....	620,760.53			
			Total cities.....		68,848.14
			Total paid.....		1,118,279.29

If all the tax equivalent is paid to a city and the city makes redistribution payments to states or counties, show these redistribution payments above and mark them with an \*. Also give method of determining amounts redistributed.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY TAX OR TAX EQUIVALENT							
<input checked="" type="radio"/> TAX, OR <input type="radio"/> TAX EQUIVALENT		TN. EQUAL- IZATION RATIO	STATE ASSESS- MENT RATIO	TAX ASSESSMENT OR VALUATION	RATE PER \$100	TAX OR EQUIVALENT FOR TAX PERIOD	AMOUNT APPLICABLE FOR FISCAL YEAR
PERIOD	DISTRICT						
1/1/10 12/31/10	Ky - Real Estate			7,357,868.00	.1220	8,976.60	4,488.30
1/1/10 12/31/10	Ky - Tangible Property			82,236,607.00	.4500	370,064.73	185,032.37
1/1/10 12/31/10	Ky - Manufacturing Machinery			33,086,195.00	.1500	49,629.29	24,814.65
1/1/10 12/31/10	Butler County			11,197,631.00	.8088	90,568.53	45,284.27
1/1/10 12/31/10	Simpson County			9,114,217.00	.7291	66,455.18	33,227.59
1/1/10 12/31/10	Edmonson County			8,863,617.00	.8751	77,566.11	38,783.06
1/1/10 12/31/10	Barren County			359,652.00	.7641	2,748.00	1,374.00
1/1/10 12/31/10	Warren County			33,637,224.00	.5802	195,167.24	97,583.62
1/1/10 12/31/10	Grayson County			16,456,883.00	.7247	119,266.60	59,633.30
1/1/10 12/31/10	Logan County			3,333,438.00	.7774	25,915.01	12,957.51
1/1/10 12/31/10	Ohio County			6,631,813.00	.6495	43,073.86	21,536.93
1/1/10 12/31/10	City of Leitchfield			895,984.00	.1186	1,062.84	531.42
1/1/10 12/31/10	Town of Smiths Grove			108,164.00	.1160	125.47	62.74
1/1/10 12/31/10	City of Bowling Green			6,997,372.00	.9444	66,084.54	33,042.27
1/1/10 12/31/10	Town of Auburn			242,206.00	.3060	741.15	370.58
1/1/10 12/31/10	Town of Park City			100,167.00	.3172	317.74	158.87
1/1/10 12/31/10	City of Morgantown			506,671.00	.1019	516.40	258.20
	Accrued and expensed FY 2011 for CY 2011						560,000.00
	Under/Over accrual FY2010						(860.36)
	TOTAL			221,125,709.00		1,118,279.29	1,118,279.29

Where more than one tax period is applicable to the current fiscal year, show beginning and ending dates of each tax period. Compute tax or tax equivalent for each tax period and show amount prorated to this fiscal year. For tax equivalents show all the components of the tax base and applicable tax equivalent by taxing districts. When tax equivalent payments are determined other than by applying applicable tax rates to net plant, describe basis, explain any change from previous period, and include data showing breakdown of net plant by taxing districts and applicable tax rates. Use extra sheets if needed.



**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**GENERAL INFORMATION**

1. Give the form of management of municipal system. (Power board, Mayor and council, etc.)  
 Board of Directors and General Manager
  
2. In the case of a Power Board (or Utilities Board), list any other departments of the city over which it exercises control.
  
3. (a) Give the statutes under which the electric system was created.  
 RURAL ELECTRIFICATION ADMINISTRATION 1936  
 RURAL ELECTRIC COOPERATIVE CORPORATION ACT-JANUARY 18, 1937
- (b) Give the statutes under which the electric system is currently operating if different from the above.
  
4. (a) Are customers' accounts billed by an outside organization? Y  
 If so, give name. If not, give the type in-house hardware. SEDC
- (b) At June 30:
  - 1) What percentage is added to customer bills for late payments? 5.00 %
  - 2) How many days are allowed between date of bill and last day before gross billing applies? 15 days
  - 3) Is an "Even Monthly Payment" (budget billing) plan available for electric consumers? Y Yes      No
  - 4) Amount of security deposit required for residential service:
 

Owner with Electric Heat	\$200.00
Owner without Electric Heat	\$200.00
Tenant with Electric Heat	\$200.00
Tenant without Electric Heat	\$200.00
Other (describe)	
  - 5) Are there any customer deposits that qualify (deposits exceeding 1 month's average bill and held longer than 6 months) for the payment of interest under the service practice standard entitled Deposit? If yes, what rate of interest is paid?
 

Class	Yes/No	Interest Rate
Residential	Y	6.00 %
C & I Part A	Y	6.00 %
C & I Part B	Y	6.00 %
  - 6) Is interest on deposits:
 

Refunded by check annually? .....	<u>    </u> Yes	<u>    </u> N	<u>    </u> No
Credited on customer's power bill annually? .....	<u>Y</u> Yes	<u>    </u> Yes	<u>    </u> No
Credited to a deposit account annually? .....	<u>    </u> Yes	<u>    </u> N	<u>    </u> No

 Handled differently (Explain)
  - 7) Are prior written notice and due process afforded to customers before termination for nonpayment?
 

Prior written notice? .....	<u>Y</u> Yes	<u>    </u> No
Due process? .....	<u>Y</u> Yes	<u>    </u> No
  - 8) Is information about policies and rates available upon request and application for service?
 

Upon request? .....	<u>Y</u> Yes	<u>    </u> No
Upon application for service? .....	<u>Y</u> Yes	<u>    </u> No
  - 9) Are the media used to inform customers about policies and rates?
 

Policies? .....	<u>Y</u> Yes	<u>    </u> No
If yes, how many times during the past 12 months? .....	<u>0</u> Times	
Rates? .....	<u>Y</u> Yes	<u>    </u> No
If yes, how many times during the past 12 months? .....	<u>0</u> Times	
  - 10) Is the most recent 12 months' prior usage available to customers upon request? .....
 Y Yes | No |
  - 11) The cost of a membership certificate is \$10.00

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**GENERAL INFORMATION (CONTINUED)**

5. Give the name of the audit firm conducting this year's audit:  
 Lattimore, Black, Morgan and Cain, PC

6. If water, gas, or other services are operated in connection with electric services, furnish the following information in connection with joint operations.

Water	Wastewtr	Other			
X		X			

(a) Indicate the joint operations with the Electric Utility:

(b) Indicate the % of non-electric ownership of any jointly owned buildings:

(c) Percentage of building space rented to others 10.0000 %

(d) Percentage of building space rented from others \_\_\_\_\_ %

(e) 1) Date of last joint expense study: 5/1/96

2) Joint expense study was prepared by: \_\_\_\_\_ TVA \_\_\_\_\_ Distributor X Other

3) Indicate the amount of the unresolved annual inequity as reflected by the TVA study:

4) Give the current status of the latest joint expense study:  
 Management contract with water and sewer districts (Warren County, Butler County, and Simpson County) was cancelled January 1999. Management of Grayson County Water District continues. Management rates charged to water district is reviewed annually.

**GOVERNING BOARD**

**AMOUNT PAID\***

DIRECTORS OR MEMBERS OF GOVERNING BOARD NAME AND PRINCIPAL OCCUPATION	TERM EXPIRES	AMOUNT PAID*	
		FEES	TRAVEL
PETE DOTSON RETIRED	05/01/2012	18,495.00	3,057.00
REBECCA GOAD RETIRED	05/01/2012	18,600.00	7,424.00
DENNIS INGRAM SMALL BUSINESS OWNER	05/01/2013	22,095.00	10,507.00
B.W. LYONS RETIRED	05/01/2012	21,195.00	8,973.00
MIKE McGUIRK SMALL BUSINESS OWNER	05/01/2013	17,200.00	2,928.00
JOE NEELY FARMER	05/01/2014	19,695.00	5,189.00
KEN ROBBINS RETIRED	05/01/2013	17,000.00	1,044.00
TERRY GARMON REALTOR	05/01/2014	17,895.00	4,564.00
Total . . . . .		152,175.00	43,686.00

\*Show total amounts paid from electric system funds for fiscal year.  
 Method of determining amounts paid to board members is as follows:  
 \$1,000 MONTHLY RETAINER PLUS \$300 PER DIEM FOR BOARD AND OTHER MEETINGS; \$.51 PER MILE PLUS ACTUAL EXPENSES



GENERAL INFORMATION (CONTINUED)

EXPLAIN UNUSUAL INCREASES OR DECREASES IN OPERATING EXPENSES AND INCOME OVER LAST YEAR'S FIGURES; EXTRAORDINARY ITEMS PAGE 3; ITEMS MARKED \* ON PAGES 5 AND 6; AND OTHER ENTRIES TO THE ACCUMULATED PROVISION FOR DEPRECIATION ON PAGE 11.

Purchased Power Cost in FY10 included a true-up of \$3,168,611.77. The final true-up in March 2011 resulted in a credit of \$6,083,744.12.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

KEY PERSONNEL		
KEY PERSONNEL	TITLE OR OCCUPATIONS	PERCENTAGE OF WAGES CHARGED TO THE ELECTRIC DEPARTMENT
GARY DILLARD	PRESIDENT & CEO	100.00
ROX'ANNE GRAY	VP OF ADMINISTRATIVE & OFFICE SERVICES	100.00
TOM MARTIN	VP OF ENGINEERING & IS	100.00
CAROLYN MYATT (THRU 11/10)	VP OF MEMBER SERVICES	100.00
DEWAYNE MCDONALD	VP OF OPERATIONS	100.00
RICK STARKS (BEGAN 11/10)	VP OF MEMBER SERVICES	100.00
(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME EMPLOYEES: 159		

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

EFFECTIVE DATE		RATE SCHEDULES	
<b>RESIDENTIAL RATE - SCHEDULE RS</b>			
10/1/09	CUSTOMER CHARGE..	\$ 15.71	per month less \$1.71 Hydro allocation credit.
10/1/09	ENERGY CHARGE.....	All	kWh per month at 0.08355 per kWh Additional kWh at _____ per month
<b>GENERAL POWER RATE - SCHEDULE GSA</b>			
<b>PART 1.</b>			
10/1/09	CUSTOMER CHARGE..	\$ 14.00	per delivery point per month
10/1/09	ENERGY CHARGE.....	All	kWh per month at 0.09853 per kWh Additional kWh at _____ per month
<b>PART 2.</b>			
10/1/09	CUSTOMER CHARGE..	\$ 27.00	per delivery point per month
10/1/09	DEMAND CHARGE.....	First 50 kW of billing demand per month, no charge	Excess over 50 kW of billing demand per month, at \$ 14.95 per kW
10/1/09	ENERGY CHARGE.....	All 15,000 kWh per month at 0.09853 per kWh	Additional kWh per month at 0.05035 per kWh
<b>PART 3.</b>			
10/1/09	CUSTOMER CHARGE..	\$ 105.00	per delivery point per month
10/1/09	DEMAND CHARGE.....	First 1,000 kW of billing demand per month, at \$ 15.13 per kW	Excess over 1,000 kW of billing demand per month, at 17.22 per kW, plus an additional \$ 17.22 per kW per month for each, if any, of the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand
10/1/09	ENERGY CHARGE.....	All	kWh per month at 0.05142 per kWh Additional kWh per month at _____ per kWh
<b>GENERAL POWER RATE - SCHEDULE GSB</b>			
10/2/03	CUSTOMER CHARGE..	\$ 1,500.00	per delivery point per month
10/1/09	DEMAND CHARGE.....	\$ 15.40	per kW of billing demand per month, plus an additional \$ 15.40 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds its contract demand
10/1/09	ENERGY CHARGE.....	0.04132	per kWh for up to 620 hours use of metered demand per month 0.03372 per kWh for all additional kWh per month
<b>GENERAL POWER RATE - SCHEDULE GSC</b>			
10/2/03	CUSTOMER CHARGE..	\$ 1,500.00	per delivery point per month
10/1/09	DEMAND CHARGE.....	\$ 13.27	per kW of billing demand per month, plus an additional \$ 13.27 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds its contract demand
10/1/09	ENERGY CHARGE.....	0.03518	per kWh for up to 620 hours use of metered demand per month 0.02870 per kWh for all additional kWh per month
<b>GENERAL POWER RATE - SCHEDULE GSD</b>			
10/2/03	CUSTOMER CHARGE..	\$ 1,500.00	per delivery point per month
10/1/09	DEMAND CHARGE.....	\$ 18.24	per kW of billing demand per month, plus an additional \$ 18.24 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds its contract demand
10/1/09	ENERGY CHARGE.....	0.03314	per kWh per month
<b>OUTDOOR LIGHTING RATE - SCHEDULE LS</b>			
10/2/03	CUSTOMER CHARGE..	\$ 2.50	
10/1/09	ENERGY CHARGE.....	0.05913	per kWh
10/2/03	FACILITY CHARGE.....	LS ( 12.00 )%	B A or B

2012

Warren Rural Electric Cooperative Corporation

Name of Organization

951 Fairview Avenue Bowling Green, KY 42102-1118

Address

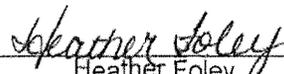
Tennessee Valley Authority  
1101 Market Street  
Chattanooga, Tennessee 37402-2801

Gentlemen:

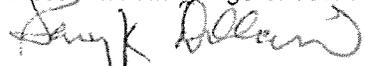
We are transmitting herewith our annual report for the year ended June 30, 2012. The report is in agreement with the books of account, and to the best of our knowledge and belief the statements therein contained are true and correctly reflect the financial condition at June 30, 2012, and the results of our electric operations for the year ended on that date.

Our books of account have been kept in accordance with the provisions of the power contract between this organization and the Tennessee Valley Authority, and are consistent with the requirements of the Federal Energy Regulatory Commission's system of accounts.

(Signed)

  
Heather Foley

Accountant in charge of books



Gary Dillard  
Manager

09/21/2012

Date transmitted

TVA Act of 1933

In fulfilling the responsibilities of the TVA Act of 1933 [16 U.S.C. #831i and 831n-4(f)], TVA requires each distributor to provide certain financial and accounting information to TVA to ensure that electric power produced by TVA is being sold at rates which are as low as feasible. This form (TVA 3957) is for that purpose.

Public reporting burden for this collection of information is estimated to vary from ten to forty hours per response, with an average of nineteen hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Agency Clearance Officer, Tennessee Valley Authority, 1101 Market Street, Chattanooga, TN 37402; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

**Warren Rural Electric Cooperative Corporation**  
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

BALANCE SHEET				
ASSETS AND OTHER DEBITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
<b>UTILITY PLANT</b>				
Electric Plant. ....	10	1	245,212,813.79	236,360,703.39
Less Depreciation. ....	10	2	102,124,447.26	96,952,121.08
<b>Total. ....</b>	10	3	143,088,366.53	139,408,582.31
Unamortized acq. adj. ....	13	4		
Other utility plant - net. ....	----	5		
<b>Total Plant - net. ....</b>	----	6	143,088,366.53	139,408,582.31
<b>OTHER PROPERTY AND INVESTMENTS</b>				
Nonutility property - net. ....	15	7		
Other investments. ....	14	8	6,126,391.09	6,423,085.70
Sinking funds. ....	15	9		
Depreciation funds. ....	15	10		
Other special funds. ....	15	12	80,859.11	69,859.11
<b>Total. ....</b>	----	13	6,207,250.20	6,492,944.81
<b>CURRENT AND ACCRUED ASSETS</b>				
General cash and temporary cash investments. ....	14	14	18,314,596.68	17,511,309.74
Accounts receivable. ....	16	15	8,638,402.58	18,280,503.63
Materials and supplies. ....	17	16	2,604,278.57	2,847,005.95
Prepayments. ....	17	17	1,147,643.91	1,112,089.03
Other current assets. ....	17	18	9,606,750.24	379,729.92
<b>Total. ....</b>	----	19	40,311,671.98	40,130,638.27
<b>DEFERRED DEBITS</b>				
Debt expense. ....	17	20		
Preliminary survey. ....	----	21		
Clearing accounts. ....	----	22	4,789.27	2,724.91
Energy Service Loans Receivables. ....	----	24	13,233.54	1,170.23
Deferred costs on TVA Leases. ....	17	25		
Other deferred debits. ....	17	26	467,618.92	538,434.85
<b>Total. ....</b>	----	27	485,641.73	542,329.99
<b>TOTAL ASSETS AND OTHER DEBITS. ....</b>	----	28	190,092,930.44	186,574,495.38
<b>LIST UNRECORDED AND CONTINGENT ASSETS AND LIABILITIES OTHER THAN ACCRUED UTILITY REVENUE AND UNBILLED PURCHASED POWER</b>				

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

<b>BALANCE SHEET</b>				
LIABILITIES AND OTHER CREDITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
<b>CAPITAL</b>				
Membership certificates . . . . .	----	30	612,340.36	609,536.09
<b>EARNINGS REINVESTED IN SYSTEM ASSETS</b>				
Beginning of year . . . . .	----	33	63,916,861.49	56,264,810.80
Current year . . . . .	3	34	4,857,173.22	7,652,050.69
<b>Total</b> . . . . .	----	35	<b>68,774,034.71</b>	<b>63,916,861.49</b>
<b>LONG-TERM DEBT</b>				
RUS . . . . .	23	36	29,097,502.98	29,756,646.82
CFC . . . . .	23	37	29,122,377.76	31,316,024.64
CoBank . . . . .	23	38	3,297,553.60	3,874,415.28
Bonds and other long-term debt . . . . .	25	39.1	20,932,164.88	21,367,857.97
TVA . . . . .	25	39.3		
Debt premium and discount . . . . .	----	40		
<b>Total</b> . . . . .	----	41	<b>82,449,599.22</b>	<b>86,314,944.71</b>
<b>OTHER NON-CURRENT LIABILITIES</b>				
Postretirement Benefits . . . . .	25	39.2	2,547,406.11	2,466,587.11
Energy Service Loans - Advances . . . . .	----	42	13,481.91	2,174.03
Energy Service Loans - Other . . . . .	----	43		
<b>Total</b> . . . . .	----	44	<b>2,560,888.02</b>	<b>2,468,761.14</b>
<b>CURRENT AND ACCRUED LIABILITIES</b>				
TVA notes payable . . . . .	26	45.1		
Other notes payable . . . . .	26	45.2	3,787,058.61	3,805,501.83
Accounts payable . . . . .	26	46	24,096,337.85	22,208,927.25
Customer deposits . . . . .	26	47	2,701,328.56	2,592,875.72
Taxes and equivalents accrued . . . . .	29	48	993,742.62	959,757.73
Interest accrued - RUS . . . . .	23	49		
Interest accrued - CFC . . . . .	23	50	117,416.50	123,252.10
Interest accrued -CoBank . . . . .	23	51	8,456.03	9,302.03
Interest accrued -TVA . . . . .	26	52.1		
Interest accrued - other . . . . .	26	52.2		
Other current liabilities . . . . .	26	53	3,423,784.13	3,013,250.08
<b>Total</b> . . . . .	----	54	<b>35,128,124.30</b>	<b>32,712,866.74</b>
<b>DEFERRED CREDITS</b>				
Advances for construction - refundable . . . . .	18	55	277,387.14	280,639.69
Other deferred credits . . . . .	26	56	290,556.69	270,885.52
<b>Total</b> . . . . .	----	57	<b>567,943.83</b>	<b>551,525.21</b>
<b>TOTAL LIABILITIES AND OTHER CREDITS . . . . .</b>	----	58	<b>190,092,930.44</b>	<b>186,574,495.38</b>

**Warren Rural Electric Cooperative Corporation**  
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

REVENUE AND EXPENSE STATEMENT	SEE PAGE NO	ITEM NO	THIS YEAR	LAST YEAR
<b>OPERATING REVENUE</b>				
Electric sales revenue (page 7, item 332).....	----	59	167,751,307.22	172,919,877.48
Revenue from late payments.....	----	60	1,184,602.21	1,227,159.97
Misc. service revenue.....	----	61	1,208,941.23	1,201,108.36
Rent from electric property.....	----	62	1,205,392.52	1,152,788.35
Other electric revenue.....	----	63	(3,270.59)	18,756.95
<b>Total operating revenue.....</b>	----	64	<b>171,346,972.59</b>	<b>176,519,691.11</b>
<b>PURCHASED POWER</b>				
Total power cost (page 7, item 342).....	7	65	128,992,064.05	131,471,970.00
<b>OPERATION EXPENSE</b>				
Transmission expense.....	5	66	165,271.07	164,558.28
Distribution expense.....	5	67	5,880,819.89	5,526,558.73
Customer accounts expense.....	5	68	3,421,741.71	3,301,748.73
Customer service and informational expense.....	5	69	605,702.41	595,024.51
Sales expense.....	5	70	240,965.35	217,938.79
Administrative and general expense.....	6	71	5,187,487.09	5,116,716.84
<b>Operation expense.....</b>	6	72	<b>15,501,987.52</b>	<b>14,922,545.88</b>
<b>MAINTENANCE EXPENSE</b>				
Transmission expense.....	6	73	367,462.65	378,874.84
Distribution expense.....	6	74	5,181,948.41	5,711,546.74
Administrative and general expense.....	6	75	307,393.21	202,273.44
<b>Maintenance expense.....</b>	6	76	<b>5,856,804.27</b>	<b>6,292,695.02</b>
<b>OTHER OPERATING EXPENSE</b>				
Depreciation expense.....	12	77	7,836,023.11	7,485,588.54
Amortization of acquisition adjustment.....	13	78		
Taxes and tax equivalents.....	29	79	4,770,073.20	5,047,274.90
<b>Other operating expense.....</b>	----	80	<b>12,606,096.31</b>	<b>12,532,863.44</b>
<b>TOTAL OPERATING EXPENSE AND PURCHASED POWER.....</b>	----	81	<b>162,956,952.15</b>	<b>165,220,074.34</b>
<b>INCOME</b>				
Operating income (item 64, less item 81).....	----	82	8,390,020.44	11,299,616.77
Other income.....	16	83	721,313.84	837,960.79
<b>Total income.....</b>	----	84	<b>9,111,334.28</b>	<b>12,137,577.56</b>
Miscellaneous income deductions.....	16	85	26,244.09	41,007.31
<b>Net income before debt expense.....</b>	----	86	<b>9,085,090.19</b>	<b>12,096,570.25</b>
<b>DEBT EXPENSE</b>				
Interest on long-term debt - RUS.....	23	87	1,425,070.87	1,890,321.08
Interest on long-term debt - CFC.....	23	88	1,458,633.76	1,187,996.45
Interest on long-term debt - CoBank.....	23	89	237,167.68	399,867.48
Interest on long-term debt - other.....	26	90.1	949,442.40	817,795.22
Interest - TVA.....	26	90.2		
Other interest expense.....	----	92	157,602.26	148,539.33
Amortization of debt discount and expense.....	----	93		
Amortization of premium on debt - credit.....	----	94		
<b>Total debt expense.....</b>	----	95	<b>4,227,916.97</b>	<b>4,444,519.56</b>
<b>NET INCOME</b>				
Net income before extraordinary items (item 86, less item 95).....	----	96	4,857,173.22	7,652,050.69
Extraordinary items.....	33	97		
<b>Net Income.....</b>	2	98	<b>4,857,173.22</b>	<b>7,652,050.69</b>

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

PAGE 4

<b>STATEMENT OF CASH FLOWS</b>		
Increase (Decrease) in Cash and Cash Equivalents		
	THIS YEAR	LAST YEAR
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Net Income .....	4,857,173.22	7,652,050.69
<b>Adjustments to Reconcile Net Income to Net Cash:</b>		
Depreciation .....	8,425,955.62	8,028,834.56
<b>Amortization of:</b>		
Acquisition Adjustment .....		
Additions to TVA Leases .....		
Debt Premium or Discount .....		
(Gain) or Loss on Sale of Plant .....		
<b>Changes in Current and Deferred Items:</b>		
Accounts Receivable .....	9,642,101.05	(3,271,897.57)
Materials and Supplies .....	242,727.38	107,594.90
Prepayments and Other Current Assets .....	(9,262,575.20)	(799,879.69)
Deferred Debits .....	63,537.65	99,273.76
Accounts Payable .....	1,887,410.60	(450,224.48)
Customer Deposits .....	108,452.84	158,478.22
Taxes and Interest Accrued .....	27,303.29	138,048.87
Other Current Liabilities .....	410,534.05	238,928.30
Deferred Credits .....	16,418.62	(35,403.42)
Other .....		
<b>Net Cash Provided by (Used in) Operating Activities .....</b>	<b>16,419,039.12</b>	<b>11,865,804.14</b>
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:</b>		
Additions to Plant .....	(11,182,090.25)	(10,153,452.03)
Removal Cost .....	(1,048,972.15)	(833,855.61)
Salvage .....	125,322.56	167,122.46
Net Change in Other Property and Investment .....	285,694.61	(178,401.77)
Energy Service Loans Receivable .....	(12,063.31)	11,011.71
Plant Sold (Purchased) - Noninstallment Method .....		
Deferred Costs on TVA Leases (excluding amortization) .....		
Other .....		
<b>Net Cash Provided by (Used in) Investing Activities .....</b>	<b>(11,832,108.54)</b>	<b>(10,987,575.24)</b>
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Additional Long-Term Borrowings .....		36,444,959.17
Payment of Principal on Long-Term Debt .....	(3,791,312.57)	(31,267,373.37)
Notes Payable .....	(18,443.22)	(5,048,441.01)
Memberships .....	2,804.27	(256.01)
Energy Service Loans Advances .....	11,307.88	(11,307.02)
Receipt for Plant Sold - Installment Method .....		
Payment for Plant Purchased - Installment Method .....		
Other .....	12,000.00	32,157.00
<b>Net Cash Provided by (Used in) Financing Activities .....</b>	<b>(3,783,643.64)</b>	<b>149,738.76</b>
<b>NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS ..</b>	<b>803,286.94</b>	<b>1,027,967.66</b>
<b>CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR .....</b>	<b>17,511,309.74</b>	<b>16,483,342.08</b>
<b>CASH AND TEMPORARY INVESTMENTS END OF YEAR .....</b>	<b>18,314,596.68</b>	<b>17,511,309.74</b>

NOTE: Cash and Temporary Cash Investments include cash on hand and in demand deposits, and those investments which are generally a part of the power distributor's short-term cash management activities.

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
<b>OPERATING EXPENSE</b>					
<b>1. TRANSMISSION</b>					
560	Supervision and engineering. . . . .	9,370.57	9,194.61	6,242.32	6,120.73
561	Load dispatching. . . . .				
562	Station expense. . . . .	56,908.59	60,239.79	5,428.94	7,035.47
563	Overhead line expense. . . . .	98,991.91	95,123.88	10,662.50	10,752.68
564	Underground line expense. . . . .				
566	Miscellaneous. . . . .				
567	Rents. . . . .				
(600)	<b>Total transmission operating expense (page 3, item 66).</b>	<b>165,271.07</b>	<b>164,558.28</b>	<b>22,333.76</b>	<b>23,908.88</b>
<b>2. DISTRIBUTION</b>					
580	Supervision and engineering. . . . .	213,259.41	215,069.32	162,739.24	146,566.15
581	Load dispatching. . . . .				
582	Station expense. . . . .	264,979.88	231,986.82	34,701.89	31,824.25
583	Overhead line expense. . . . .	1,665,264.35	1,629,657.08	514,237.51	501,199.90
584	Underground line expense. . . . .	332,674.93	330,105.69	141,392.46	144,748.09
585	Street lighting and signal system expense. . . . .	38,732.31	40,553.35	7,444.69	8,626.27
586	Meter expense. . . . .	874,080.83	772,643.34	451,645.32	384,118.49
587	Customer installation expense. . . . .	565,944.35	527,397.99	241,702.48	221,125.42
588	Miscellaneous. . . . .	1,817,400.93	1,674,246.00	940,720.17	884,157.30
589	Rents. . . . .	108,482.90	104,899.14		
(605)	<b>Total distribution operating expense (page 3, item 67).</b>	<b>5,880,819.89</b>	<b>5,526,558.73</b>	<b>2,494,583.76</b>	<b>2,322,365.87</b>
<b>3. CUSTOMER ACCOUNTS EXPENSE</b>					
901	Supervision. . . . .	114,769.38	131,869.41	76,467.74	87,863.88
902	Meter reading expense. . . . .	526,196.14	492,155.65	224,723.88	211,327.33
903	Customer records and collection expense. . . . .	2,434,292.82	2,320,341.43	1,156,841.55	1,099,175.88
904	Uncollectible accounts. . . . .	346,483.37	357,382.24		
905	Miscellaneous. . . . .				
(610)	<b>Total customer accounts expense (page 3, item 68).</b>	<b>3,421,741.71</b>	<b>3,301,748.73</b>	<b>1,458,033.17</b>	<b>1,398,367.09</b>
<b>4. CUSTOMER SERVICES &amp; INFORMATIONAL EXPENSE</b>					
907	Supervision. . . . .				
908	Customer assistance expense. . . . .	486,189.30	500,933.05	300,183.44	298,084.04
909	Informational and instructional advertising expense. . . . .	119,513.11	94,091.46		
910	Miscellaneous customer service and informational expense. . . . .				
(615)	<b>Total customer services and informational expense (page 3, item 69).</b>	<b>605,702.41</b>	<b>595,024.51</b>	<b>300,183.44</b>	<b>298,084.04</b>
<b>5. SALES EXPENSE</b>					
911	Supervision. . . . .				
912	Demonstrating and selling expense. . . . .	240,584.75	217,938.79	84,241.38	61,483.76
913	Advertising expense. . . . .	380.60			
916	Miscellaneous. . . . .				
(620)	<b>Total sales expense (page 3, item 70).</b>	<b>240,965.35</b>	<b>217,938.79</b>	<b>84,241.38</b>	<b>61,483.76</b>

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
<b>6. ADMINISTRATIVE &amp; GENERAL</b>					
920	Administrative and general salaries .....	2,360,866.83	2,305,217.58	1,550,158.72	1,508,380.46
921	Office supplies and expense .....	947,866.48	958,628.54	43,783.72	30,115.42
922	Administrative expense transferred - credit*				
923	Outside services employed .....	77,075.13	130,071.89		
924	Property insurance .....	33,795.40	34,528.56	22,504.25	22,995.55
925	Injuries and damages .....	165,893.54	177,010.40	76,141.00	83,310.74
926	Employee pensions and benefits .....	468,571.30	471,543.99	127,450.82	127,819.70
927	Franchise requirements*				
928	Regulatory commission expense*				
929	Duplicate charges - credit .....	(47,690.27)	(45,619.25)		
930	Miscellaneous general expense .....	1,181,108.68	1,085,335.13	114,223.78	102,436.51
931	Rents .....				
(625)	<b>Total administrative and general expense (page 3, item 71) .....</b>	<b>5,187,487.09</b>	<b>5,116,716.84</b>	<b>1,934,262.29</b>	<b>1,875,058.38</b>
(630)	<b>Total operating expense (Page 3 Item 72) .....</b>	<b>15,501,987.52</b>	<b>14,922,545.88</b>	<b>6,293,637.80</b>	<b>5,979,268.02</b>
<b>MAINTENANCE EXPENSE</b>					
<b>1. TRANSMISSION</b>					
568	Supervision and engineering .....				
569	Maintenance of structures .....				
570	Maintenance of station equipment .....	11,180.59	24,809.05	7,353.79	3,107.22
571	Maintenance of overhead lines .....	356,282.06	354,065.79	77,948.17	70,020.81
572	Maintenance of underground lines .....				
573	Miscellaneous .....				
(635)	<b>Total transmission maintenance expense (page 3, item 73) .....</b>	<b>367,462.65</b>	<b>378,874.84</b>	<b>85,301.96</b>	<b>73,128.03</b>
<b>2. DISTRIBUTION</b>					
590	Supervision and engineering .....	174,977.49	167,242.63	116,555.72	111,360.18
591	Maintenance of structures .....				
592	Maintenance of station equipment .....	453,111.22	376,465.19	263,582.34	204,027.19
593	Maintenance of overhead lines .....	4,111,473.78	4,844,877.87	1,278,040.15	1,441,479.01
594	Maintenance of underground lines .....	99,554.81	77,989.95	52,169.36	42,605.90
595	Maintenance of line transformers .....	259,233.58	172,125.51	114,987.26	73,763.38
596	Street lighting and signal systems .....	77,794.04	70,435.11	31,992.72	28,806.19
597	Maintenance of meters .....	5,803.49	2,410.48	123.84	426.50
598	Maintenance of miscellaneous distribution plant .....				
(640)	<b>Total distribution maintenance expense (page 3, item 74) .....</b>	<b>5,181,948.41</b>	<b>5,711,546.74</b>	<b>1,857,451.39</b>	<b>1,902,468.35</b>
<b>3. ADMINISTRATIVE &amp; GENERAL</b>					
935	Maintenance of general plant (page 3, items 75) .....	307,393.21	202,273.44	47,923.87	40,805.07
(645)	<b>Total maintenance expense (page 3, item 76) .....</b>	<b>5,856,804.27</b>	<b>6,292,695.02</b>	<b>1,990,677.22</b>	<b>2,016,401.45</b>
(650)	<b>Total operating and maintenance expense .....</b>	<b>21,358,791.79</b>	<b>21,215,240.90</b>	<b>8,284,315.02</b>	<b>7,995,669.47</b>
(655)	Total direct and indirect payroll charged to construction and retirements .....			1,872,660.12	2,131,032.18
(660)	Payroll charged to other accounts .....			1,611,190.94	1,404,622.29
(662)	Fiscal year net change in accrued leave account - (increase) decrease .....			(17,813.19)	17,813.19
(665)	<b>Total payroll distribution for year .....</b>			<b>11,750,352.89</b>	<b>11,549,137.13</b>

\*FURNISH DETAILS OF THESE ACCOUNTS ON PAGES 32 AND 33.



**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

<b>MODIFIED STREET LIGHTING COMPUTATION</b>				
Give computation of modified street lighting rate relative to lamps and glassware by customers, if applicable:				
TOWN	COST OF LAMPS AND GLASSWARE	KWH	ALLOWANCE	EXCESS TO BE BILLED
		FROM STAT. REPT.	KWH X .003	
TOTAL:				

**Warren Rural Electric Cooperative Corporation**

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ELECTRIC PLANT							
ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
<b>INTANGIBLE</b>							
301	Organization.....						
302	Franchises and consents.....						
303	Miscellaneous.....						
(750)	<b>Total intangible.....</b>						
<b>PRODUCTION</b>							
755	<b>Total production.....</b>						
<b>TRANSMISSION</b>							
350	Land and land rights.....	2,973,538.48					2,973,538.48
351	Clearing land and rights of way.....						
352	Structures and improvements.....						
353	Station equipment.....	8,068,334.74					8,068,334.74
354	Towers and fixtures.....	68,716.20					68,716.20
355	Poles and fixtures.....	7,760,643.04	497,608.66	117,964.90			8,140,286.80
356	Overhead conductors and devices.....	3,998,601.19	165,173.37	2,576.48			4,161,198.08
357	Underground conduit.....						
358	Underground conductors and devices.....						
359	Roads and trails.....						
(760)	<b>Total transmission.....</b>	<b>22,869,833.65</b>	<b>662,782.03</b>	<b>120,541.38</b>			<b>23,412,074.30</b>
<b>DISTRIBUTION</b>							
360	Land and land rights.....	412,872.40	(500.00)	1,300.00			411,072.40
361	Structures and improvements.....						
362	Station equipment.....	28,248,115.83	218,918.91				28,467,034.74
363	Storage battery equipment.....						
364	Poles, towers, and fixtures.....	52,204,265.10	1,751,432.00	693,804.55			53,261,892.55
365	Overhead conductors and devices.....	26,539,300.31	514,092.24	147,679.01			26,905,713.54
366	Underground conduit.....						
367	Underground conductors and devices.....	11,246,008.05	410,427.77	7,769.15			11,648,666.67
368	Line transformers.....	33,200,116.82	1,434,810.91	513,741.29			34,121,186.44
369	Services.....	21,114,378.22	894,797.03	270,853.50			21,738,321.75
370	Meters.....	8,914,881.26	430,834.08	112,416.84			9,233,298.50
371	Inst. on customers' premises.....	5,256,724.37	169,399.19	68,213.77			5,357,909.79
372	Leased prop. on cust. premises.....						
373	St. lighting and signal systems.....	4,078,763.13	68,591.35	35,925.34			4,111,429.14
(765)	<b>Total distribution.....</b>	<b>191,215,425.49</b>	<b>5,892,803.48</b>	<b>1,851,703.45</b>			<b>195,256,525.52</b>

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ELECTRIC PLANT							
ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
<b>GENERAL</b>							
389	Land and land rights . . . . .	257,766.77					257,766.77
390	Structures and improvements . . . . .	7,296,633.18	81,350.65	13,500.00			7,364,483.83
391	Office furniture and equipment . . . . .	2,328,154.47	159,331.12	27,568.97			2,459,916.62
392	Transportation equipment . . . . .	6,051,733.08	642,760.32	316,666.05			6,377,827.35
393	Stores equipment . . . . .	4,966.44					4,966.44
394	Tools, shop, and garage equip. . . . .	823,997.74	124,358.71				948,356.45
395	Laboratory equipment . . . . .	304,077.09					304,077.09
396	Power operated equipment . . . . .	450,193.70	33,108.28				483,301.98
397	Communication equipment . . . . .	3,064,641.00	389,899.31				3,454,540.31
398	Miscellaneous equipment . . . . .	388,838.00	3,604.00				392,442.00
399	Other tangible property . . . . .						
(770)	<b>Total general . . . . .</b>	<b>20,971,001.47</b>	<b>1,434,412.39</b>	<b>357,735.02</b>			<b>22,047,678.84</b>
101	<b>Total plant in service . . . . .</b>	<b>235,056,260.61</b>	<b>7,989,997.90</b>	<b>2,329,979.85</b>			<b>240,716,278.66</b>
102	Electric plant purchased or sold . . . . .						
104	Electric plant leased to others . . . . .						
105	Electric plant for future use . . . . .						
107	Construction work in progress . . . . .	1,304,442.78	3,192,092.35				4,496,535.13
(775)	<b>Total other electric plant . . . . .</b>	<b>1,304,442.78</b>	<b>3,192,092.35</b>				<b>4,496,535.13</b>
(780)	<b>Total electric plant (page 1, item 1) . . . . .</b>	<b>236,360,703.39</b>	<b>11,182,090.25</b>	<b>2,329,979.85</b>			<b>245,212,813.79</b>
			(Item 140)				
<b>RESERVES</b>							
108	Accumulated provision for depreciation of electric plant in service . . . . .					102,124,447.26	
109	Accumulated provision for depreciation of electric plant leased to others . . . . .						
110	Accumulated provision for depreciation of electric plant held for future use . . . . .						
	<b>Total accumulated provision for depreciation (page 1, item 2 and page 11) . . . . .</b>					<b>102,124,447.26</b>	
	<b>Total electric plant, less accumulated provision for depreciation (page 1, item 3) . . . . .</b>						<b>143,088,366.53</b>
<b>Reclassification Columns</b>				<b>Explanations of entries shown in the Reclassification Columns:</b>			
Includes major corrections to prior years additions and retirements, transfers between accounts classified in prior years, and classification of plant purchased and/or sold. CWP items include a new substation (approx \$2.5 million) and smart grid projects, as well as normal construction items that are still open as of June 30.							

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

PAGE 11

ACCUMULATED PROVISION FOR DEPRECIATION (Page 10)										
ACCT. NO.	DEPR. RATE	BALANCE BEG. OF YEAR	ACCRUAL	ORIGINAL COST	REMOVAL COST	SALVAGE	OTHER ENTRIES*		BALANCE END OF YEAR	% DEPR.
							DEBIT	CREDIT		
350		74,342.03							74,342.03	3
351										
352										
353	3.0	4,453,805.93	242,050.08						4,695,856.01	58
354	0	58,833.52							58,833.52	86
355	3.33	2,941,794.35	266,489.06	117,964.90	80,140.58	4,696.64			3,014,874.57	37
356	2.75	2,409,312.63	111,378.41	2,576.48	1,623.53	105.96			2,516,596.99	60
357										
358										
359										
<b>(785) TOTAL</b>		<b>9,938,088.46</b>	<b>619,917.55</b>	<b>120,541.38</b>	<b>81,764.11</b>	<b>4,802.60</b>			<b>10,360,503.12</b>	<b>44</b>
360				1,300.00		1,300.00				
361										
362	3.7	12,432,551.80	1,050,161.06						13,482,712.86	47
363										
364	3.00	18,032,027.22	1,581,468.45	693,804.55	448,767.40	16,502.17			18,487,425.89	35
365	2.50	9,658,600.97	667,369.21	147,679.01	92,201.51	4,037.21			10,090,126.87	38
366										
367	3.00	2,882,012.09	343,650.28	7,769.15	4,944.47	237.36			3,213,186.11	28
368	3.00	11,719,091.17	1,014,360.48	513,741.29	176,625.02	54,939.43			12,098,024.77	35
369	5.50	11,482,419.59	1,287,197.60	270,853.50	180,491.25	6,075.75			12,324,348.19	57
370	3.00	1,315,879.53	270,353.97	112,416.84					1,473,816.66	16
371	7.00	4,415,101.04	101,185.42	68,213.77	41,446.88	1,576.08			4,408,201.89	82
372										
373	7.00	2,508,766.45	286,222.76	35,925.34	22,731.51	1,031.96			2,737,364.32	67
<b>(790) TOTAL</b>		<b>74,446,449.86</b>	<b>6,601,969.23</b>	<b>1,851,703.45</b>	<b>967,208.04</b>	<b>85,699.96</b>			<b>78,315,207.56</b>	<b>40</b>
389										
390	3.00	3,613,386.06	233,159.64	13,500.00					3,833,045.70	52
391	various	2,122,580.54	109,850.38	27,568.97					2,204,861.95	90
392	various	3,340,880.98	600,774.99	316,666.05		34,820.00			3,659,809.92	57
393	0	4,966.44							4,966.44	100
394	4.00	560,641.73	54,070.48						614,712.21	65
395	8.0	199,130.27	14,220.72						213,350.99	70
396	5.00	172,809.12	37,927.90						210,737.02	44
397	10.00	2,237,892.05	128,291.50						2,366,183.55	68
398	5.00	315,295.57	25,773.23						341,068.80	87
399										
<b>(795) TOTAL</b>		<b>12,567,582.76</b>	<b>1,204,068.84</b>	<b>357,735.02</b>		<b>34,820.00</b>			<b>13,448,736.58</b>	<b>61</b>
<b>(800) OTHER</b>										
<b>(805) TOTALS</b>		<b>96,952,121.08</b>	<b>8,425,955.62</b>	<b>2,329,979.85</b>	<b>1,048,972.15</b>	<b>125,322.56</b>			<b>102,124,447.26</b>	<b>42</b>

\*Use other entries to report depreciation on property purchased, classifying accruals, unusual entries - explain on page 33.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

<b>ACCUMULATED PROVISION FOR DEPRECIATION - CONTINUED</b>		
Depreciation expense (403 and 404) (page 3, item 77) . . . . .	(810)	7,836,023.11
Depreciation charged to transportation expense - clearing . . . . .	(815)	589,932.51
Depreciation charged to building expense - clearing . . . . .	(820)	
Depreciation charged to other accounts (list each account number) . . . . .	(825)	
.....	(830)	
.....	(835)	
.....	(840)	
<b>Total accrual (page 11) . . . . .</b>	<b>(Item 128)</b>	<b>8,425,955.62</b>

Explanations (continue on page 33 if necessary)



**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

<b>INVESTMENTS IN ASSOCIATED COMPANIES</b> (Report only the investments not considered as current assets)			
<b>OTHER INVESTMENTS - GENERAL FUNDS</b>			
Investments included in Accounts 123 and 124			
DESCRIPTION OF INVESTMENTS (GROUP BY TYPE OF INVESTMENT AND SHOW NO. OF INVESTMENTS)	BALANCE END OF YEAR	INCOME	GAIN OR (LOSS) ON SALES
KAEC- Certificate of Deposit (2)	55,000.00	206.39	
KAEC- Debenture (1)	2,000.00	90.00	
CoBank- Stock	1,000.00		
CFC - Member Capital	25,000.00	1,750.00	
CFC- Capital Term Certificates (24)	2,106,012.66	95,573.91	
Investment in Penwar (50% ownership)	34,057.39		
Investment in Subsidiary Propane Energy Partners	2,970,007.97		
Investment in Subsidiary- Millennium Energy	927,479.36		
Bonds (2)	1,500.00		
EPSI Investment in Federated	4,333.71		
Subtotal	6,126,391.09	97,620.30	
	(page 1, item 8)	(account 419, page 16)	
<b>INVESTMENTS OF FUNDS OTHER THAN GENERAL FUNDS</b>			
(Investments included in Accounts 125, 126, and 128 - page 15)			
Director's Deferred Compensation	80,859.11		
Subtotal	80,859.11		
	(page 15)	(account 419, page 16)	
<b>CASH AND TEMPORARY CASH INVESTMENTS - GENERAL FUNDS</b>			
(Report only investments considered as current assets)			
Commercial Paper		206.39	
Repurchase Agreement	17,801,760.00	2,489.11	
RUS Cushion of Credit		54,125.38	
Total Temporary Cash Investments	17,801,760.00	56,820.88	
CASH (Accounts 131 - 135)	512,836.68	148.63	
Subtotal	18,314,596.68	56,969.51	
	(page 1, item 14)	(account 419, page 16)	
Grand Total	24,521,846.88	154,589.81	

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SPECIAL FUNDS					
	ACCOUNT 125	ACCOUNT 126	ACCOUNT 128		TOTAL OF ALL SPECIAL FUNDS
	TOTAL SINKING FUNDS	DEPRECIATION FUNDS	CONSTRUCTION FUNDS	TOTAL OTHER SPECIAL FUNDS	
Cash included in fund end of year. ....					
Investments in fund end of year (page 14). ....				80,859.11	80,859.11
Balance of fund end of year (page 1). ....				80,859.11	80,859.11
	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)		
Minimum balance required*. ....					
Authority creating fund**. ....				Board	
<p>* Explain difference if fund balance is less than minimum required.                      ** State whether fund is required by bond contract, board action, etc.</p> <p>Total Sinking</p> <p>Depreciation</p> <p>Construction</p> <p>Other                      Directors Deferred Compensation; no min bal required.</p>					
<p>Note: Report all debt service funds as sinking funds.                      Report all funds for renewals and replacements as depreciation funds.</p>					
NONUTILITY PROPERTY (Account 121)					
DESCRIPTION AND LOCATION OF PROPERTY			DATE ACQUIRED	BOOK COST	NET INCOME (ACCOUNT 418)
Old WRECC Corporate Office Building Bowling Green			7/1/1950		108,095.66
Amortization of PEP Goodwill			8/31/2004		(15,000.00)
Amortization of PEP Asset Appreciation			9/30/1998		47,035.77
Equity in Subsidiary Companies					
Total. ....					140,131.43
Less accumulated provision for depreciation (account 122). ....					
Total net of depreciation (page 1, item 7). ....					(page 16)

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

ACCT. NO.	OTHER INCOME	
415	Revenue from merchandising, jobbing, etc.....	148,074.01
416	Cost and expense of merchandising, etc.....	(121,470.26)
417*	Income from nonutility operations - net of expense.....	4,592.43
418	Nonoperating rental income - net of expense (page 15).....	140,131.43
419	Interest and dividend income (page 14).....	154,589.81
419.1	Interest charged to construction.....	
421*	Misc. nonoperating income - net of expense.....	395,396.42
(845)	<b>Total other income (page 3, item 83).....</b>	<b>721,313.84</b>

\*Explain these items briefly:

	417	421
Revenue less expense of providing management services to: Grayson County Water District (\$3052.86); Propane Energy Partners \$5508.28; Total Security Systems \$2137.01.		Patronage Dividends of \$147,831.04; Income in PenWar of \$1,626.62; Income from sale of Total Security Systems \$11,898.13; Workers Comp Retention Dividend \$63,455; Workers Comp Cooperative Self-Insured Fund dissolved \$165,010; Subdivision Lighting Loss of \$1654.66; miscellaneous income of \$7230.23

ACCT. NO.	MISCELLANEOUS INCOME DEDUCTIONS	
425*	Miscellaneous amortization.....	
426*	Miscellaneous income deductions.....	26,244.09
(850)	<b>Total misc. income deductions (page 3, item 85).....</b>	<b>26,244.09</b>

\*Explain these items briefly:

	425	426
		Civic organizations - \$10,000; voided jobs - \$16,244.09

**INVESTMENT PROCEDURES**

Are investments in excess of \$100,000 secured?     Yes     No    If yes, how?

ACCT. NO.	RECEIVABLES	
141	Notes receivable (Explain on page 33).....	
142	Customer accounts receivable.....	7,517,065.30
143	Other accounts receivable.....	1,448,230.75
146	Accounts receivable municipality (Explain on page 33 if over 45 days past due).....	10,800.00
	<b>Total.....</b>	<b>8,976,096.05</b>
144	Accumulated provision for uncollectible accounts.....	337,693.47
	Accounts receivable net of reserve (page 1, item 15).....	8,638,402.58

**AGE OF RECEIVABLES AT JUNE 30**

	ACCOUNT 141	ACCOUNT 142	ACCOUNT 143	ACCOUNT 146
Accounts with credit balances.....		371,372.05		
Due after June 30.....		3,043,586.90		
From 1 to 30 days past due.....		4,585,157.69	161,539.41	10,800.00
From 31 to 60 days past due.....		73,270.34	131,126.31	
From 61 to 90 days past due.....		22,479.12	98,880.76	
Over 90 days past due.....		163,943.30	1,056,684.27	
<b>Totals (as above).....</b>		<b>7,517,065.30</b>	<b>1,448,230.75</b>	<b>10,800.00</b>





**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200		CURRENT MATURITIES OF LONG TERM DEBT	DIRECTOR'S DEFERRED COMPENSATION		FFB LONG TERM DEBT	
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
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2046						
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2049						
2050						
2051						
2052						
2053						
2054						
2055						
2056						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE					
DETAILS REGARDING BONDS ON PAGE					
MATURITIES: MONTH AND DAY 100	0/0				
NAME OF ISSUE 200	POST RETIREMENT BENEFITS				
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	TOTAL MATURITIES
2012					
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					
2047					
2048					
2049					
2050					
2051					
2052					
2053					
2054					
2055					
2056					
OUTSTANDING END OF YEAR 300					

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

# Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

PAGE 21

SUMMARY OF LONG-TERM DEBT - RUS										
NOTE NUMBER	DATE OF NOTE	INT. RATE	TERM OF NOTE (YR)	DATE REPAYMENTS BEGIN MO/YEAR	AMOUNT OF ALLOTMENT	BALANCE DUE ON ALLOTMENT (ACCOUNT 224.2)	AMOUNT REPAID THIS YEAR			OUTSTANDING END OF YEAR
							PRINCIPAL	INTEREST	DEFERRED INTEREST	EXCLUDING CUSHION OF CREDIT
01-A420	11/1/2004	4.24	35	11/2006	3,000,000.00		52,387.58	116,812.42		2,722,334.97
02-A421	11/1/2004	4.71	35	11/2006	4,000,000.00		65,326.55	174,193.45		3,657,187.53
03-A422	11/1/2004	4.58	35	11/2006	6,000,000.00		99,926.07	253,593.93		5,474,184.55
04-A423	11/1/2004	4.88	35	10/2006	6,000,000.00		95,500.77	271,699.23		5,507,128.42
05-A424	11/1/2004	4.78	35	03/2007	6,000,000.00		97,004.16	267,315.84		5,531,061.56
06-B425	11/1/2007	4.43	35	12/2007	5,000,000.00		86,401.38	207,598.62		4,632,070.70
07-B426	2/1/2008	4.35	35	03/2008	3,274,000.00		57,475.18	133,857.38		3,041,241.31
08-Notes Pay				/						(587,167.94)
09-				/						
10-				/						
11-				/						
12-				/						
13-				/						
14-				/						
15-				/						
16-				/						
17-				/						
18-				/						
19-				/						
20-				/						
21-				/						
22-				/						
23-				/						
24-				/						
25-				/						
26-				/						
27-				/						
28-				/						
29-				/						
30-				/						
31-				/						
32-				/						
33-				/						
34-				/						
35-				/						
36-				/						
37-				/						
38-				/						
39-				/						
40-				/						
<b>(860) Total.....</b>					<b>33,274,000.00</b>		<b>554,021.69</b>	<b>1,425,070.87</b>		<b>29,978,041.10</b>
List Note Numbers Paid Monthly:    A420    A421    A422    A423    A424    B425    B426										

\*EXCLUDING CUSHION OF CREDIT.

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SUMMARY OF LONG-TERM DEBT - CFC AND/OR COBANK											
NOTE NUMBER	DATE OF NOTE	INT. RATE	CFC OR COBANK	TERM OF NOTE (YR)	AMOUNT OF LOAN APPROVED	UNADVANCED LOAN	AMT REPAYD THIS YEAR FOR REGULAR BILLINGS		OUTSTANDING END OF YEAR	RUS LOAN SUPPLEMENTED	
							PRINCIPAL	INTEREST		NOTE NUMBER	%
01-9010-V	4/25/1978	6.05	CFC	35	1,313,000.00		95,273.54	7,774.78	75,304.66	B350/352	20.00
02-9014-V	3/24/1981	6.15	CFC	35	2,384,000.00		134,158.44	39,119.74	582,747.88	B360/362	30.00
03-9015	2/10/1984	4.20	CFC	35	1,210,300.00		60,924.05	20,489.51	485,078.38	B370/372	30.00
04-9016-V	11/10/1988	6.15	CFC	35	4,377,000.00		148,966.58	155,694.15	2,560,110.45	B380/382	30.00
05-9020-01 V	9/1/1998	6.10	CFC	15	1,645,286.00		155,271.02	16,027.14	164,961.20	N/A	
06-RX0134T1	4/14/2004	4.60	COBANK	9	2,382,232.00		303,973.64	20,860.90	264,191.32	N/A	
07-RI0134T4	3/1/2005	4.45	COBANK	10	1,250,000.00		134,561.68	32,212.70	404,690.25	N/A	
08-RI0134T5	11/2/2005	5.66	COBANK	6	1,402,033.00		41,161.83	54,534.33	1,171,705.23	N/A	
09-RI0134T6	11/2/2005	5.83	COBANK	10	1,725,995.00		49,985.92	87,571.02	1,447,496.23	N/A	
10-RI0134T8	2/20/2009	6.78	COBANK	8	824,640.38		92,030.92	42,834.73	566,203.71	N/A	
11-9023001	10/15/2010	2.10	CFC	1	1,390,366.35		465,884.32	2,445.89		N/A	
12-9023002	10/15/2010	2.35	CFC	2	1,534,818.19		1,147,735.60	29,425.73	387,082.59	N/A	
13-9023003	10/15/2010	2.75	CFC	3	1,604,448.23			44,243.20	1,604,448.23	N/A	
14-9023004	10/15/2010	3.10	CFC	4	1,447,516.78			44,995.96	1,447,516.78	N/A	
15-9023005	10/15/2010	3.40	CFC	5	1,521,509.54			51,873.06	1,521,509.54	N/A	
16-9023006	10/15/2010	3.70	CFC	6	1,416,927.58			52,569.96	1,416,927.58	N/A	
17-9023007	10/15/2010	3.95	CFC	7	1,334,441.25			52,854.84	1,334,441.25	N/A	
18-9023008	10/15/2010	4.15	CFC	8	1,401,664.03			58,328.42	1,401,664.03	N/A	
19-9023009	10/15/2010	4.30	CFC	9	1,375,388.60			59,303.74	1,375,388.60	N/A	
20-9023010	10/15/2010	4.45	CFC	10	1,363,592.02			60,846.10	1,363,592.02	N/A	
21-9023011	10/15/2010	4.55	CFC	11	1,435,012.52			65,471.96	1,435,012.52	N/A	
22-9023012	10/15/2010	4.65	CFC	12	1,507,641.36			70,297.38	1,507,641.36	N/A	
23-9023013	10/15/2010	4.70	CFC	13	1,584,775.01			74,688.50	1,584,775.01	N/A	
24-9023014	10/15/2010	4.80	CFC	14	1,202,065.13			57,857.20	1,202,065.13	N/A	
25-9023015	10/15/2010	4.90	CFC	15	1,071,407.65			52,642.82	1,071,407.65	N/A	
26-9023016	10/15/2010	5.00	CFC	16	1,125,703.85			56,439.40	1,125,703.85	N/A	
27-9023017	10/15/2010	5.00	CFC	17	1,183,296.91			59,326.94	1,183,296.91	N/A	
28-9023018	10/15/2010	5.00	CFC	18	1,243,469.73			62,343.84	1,243,469.73	N/A	
29-9023019	10/15/2010	5.05	CFC	19	1,070,485.15			54,207.62	1,070,485.15	N/A	
30-9023020	10/15/2010	5.10	CFC	20	912,759.42			46,678.26	912,759.42	N/A	
31-9023021	10/15/2010	5.10	CFC	21	959,457.86			49,066.40	959,457.86	N/A	
32-9023022	10/15/2010	5.15	CFC	22	1,008,378.80			52,073.80	1,008,378.80	N/A	
33-9023023	10/15/2010	5.15	CFC	23	1,060,247.64			54,752.36	1,060,247.64	N/A	
34-9023024	10/15/2010	5.15	CFC	24	244,585.57			12,630.66	244,585.57	N/A	
35-NOTE PAY			CFC						(2,207,682.03)		
36-NOTES PAY			COBANK						(556,733.14)		
37-											
38-											
39-											
40-											
41-											
<b>(865) Total</b>					<b>48,514,445.55</b>		<b>2,829,927.54</b>	<b>1,702,483.04</b>	<b>32,419,931.36</b>		

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

<b>LONG-TERM DEBT - RUS</b>		
<b>ACCT.</b>	<b>PRINCIPAL DATA</b>	<b>AMOUNT</b>
224.1	Long-term debt - RUS . . . . .	29,978,041.10
224.2	Unadvanced RUS allotment - debit (page 21) . . . . .	
224.3	Deferred interest - RUS . . . . .	
224.4	Long-term debt - RUS - matured and deferred . . . . .	
224.5	Cushion of credit - RUS - debit . . . . .	(880,538.12)
Net balance due RUS as above (page 2, item 36) . . . . .		29,097,502.98
Total additions to RUS long-term debt this year . . . . . (Item 132)		<input type="text"/>
Repayments for the year excluding advance payments . . . . . (Item 143)		554,021.69
<b>INTEREST ACCRUED - RUS (Account 237.1)</b>		
		<b>AMOUNT</b>
Balance beginning of year (matured \$.00) . . . . .		
Accrued during year (Account 427.1) (page 3, item 87) (page 26 summary) . . . . .		1,425,070.87
Repayments this year . . . . .		1,425,070.87
Balance end of year (matured \$.00) (page 2, item 49)(page 26 summary) . . . . .		
<b>LONG-TERM DEBT - CFC</b>		
<b>ACCT.</b>	<b>PRINCIPAL DATA</b>	<b>AMOUNT</b>
223.1	Subscriptions to CFC capital term certificates - debit . . . . .	(106,800.00)
223.2	Unpaid subscriptions to CFC capital term certificates - credit . . . . .	106,800.00
223.4	CFC loan approved - unadvanced - debit (page 22) . . . . .	
223.5	Long-term debt - CFC credit . . . . .	29,122,377.76
223.61	Patronage capital certificates - debit . . . . .	
223.62	Deferred patronage dividends - credit . . . . .	
Net CFC account (account 223) ( page 2, item 37) . . . . .		29,122,377.76
Total additions to CFC long-term debt this year . . . . . (Item 135)		<input type="text"/>
Repayments for the year excluding advance payments . . . . . (Item 144)		2,208,213.55
<b>INTEREST ACCRUED - CFC (Account 237.2)</b>		
		<b>AMOUNT</b>
Balance beginning of year (matured \$.00) . . . . .		123,252.10
Accrued during year (Account 427.1) (page 3, item 88) (page 26 summary) . . . . .		1,458,633.76
Repayments this year . . . . .		1,464,469.36
Balance end of year (matured \$.00) (page 2, item 50)(page 26 summary) . . . . .		117,416.50
<b>LONG-TERM DEBT - COBANK</b>		
<b>ACCT.</b>	<b>PRINCIPAL DATA</b>	<b>AMOUNT</b>
229.10	Long Term Debt - CoBank - credit . . . . .	3,297,553.60
229.20	Unadvanced allotment - CoBank - debit . . . . .	
229.30	Subscription to class "C" stock - CoBank - debit . . . . .	
229.40	Unpaid subscription to class "C" stock - CoBank - credit . . . . .	
229.50	Allocated earnings receivable - CoBank - debit . . . . .	
229.51	Allocated earnings deferred - CoBank - credit . . . . .	
Net CoBank account (account 229) (page 2, item 38) . . . . .		3,297,553.60
Amount received on allotment this year . . . . . (Item 136)		<input type="text"/>
Repayments this year . . . . . (Item 145)		621,713.99
<b>INTEREST ACCRUED - COBANK (Account 237.6)</b>		
		<b>AMOUNT</b>
Balance beginning of year (matured \$.00) . . . . .		9,302.03
Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary) . . . . .		237,167.68
Repayments this year . . . . .		238,013.68
Balance end of year (matured \$.00) (page 2, item 51)(page 26 summary) . . . . .		8,456.03

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: CURRENT MATURITIES OF LONG TERM DEBT  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \_\_\_\_\_

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.....	3,805,501.83	Accrued beginning of year.....	
Issued during year.....		Accrued during year (427.3).....	
Total.....	3,805,501.83	Total.....	
Bonds retired this year.....	18,443.22	Payments during year.....	
Balance end of year.....	3,787,058.61	Balance end of Year.....	
Including matured of (239).....		Including matured of (240).....	
Balance less matured (221).....	3,787,058.61	Balance less matured (237.3).....	

Name of issue: FFB LONG TERM DEBT  
 Date of issue: 04/15/1998 Amount of original issue: \$ 29,520,000.00  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: Other - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: Financing of utility plant: \$2.1M 4/1998 at 6.143%; \$1.2 M 10/1998 at 5.191%; \$1.7M 12/1998 at 5.098%; \$7.6M 4/2009 at 3.822%; \$4.05M 12/09 4.384%; \$1.745M 12/10 at 4.246%; \$4.7M 1/11 at 4.247%

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.....	21,367,857.97	Accrued beginning of year.....	
Issued during year.....		Accrued during year (427.3).....	949,442.40
Total.....	21,367,857.97	Total.....	949,442.40
Bonds retired this year.....	435,693.09	Payments during year.....	949,442.40
Balance end of year.....	20,932,164.88	Balance end of Year.....	
Including matured of (239).....		Including matured of (240).....	
Balance less matured (221).....	20,932,164.88	Balance less matured (237.3).....	

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: POST RETIREMENT BENEFITS  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: PostRetirement - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: FAS 106 & FAS 158 REQUIREMENT

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. ....	2,396,728.00	Accrued beginning of year. ....	
Issued during year. ....	68,819.00	Accrued during year (427.3). ....	
Total. ....	2,465,547.00	Total. ....	
Bonds retired this year. ....		Payments during year. ....	
Balance end of year. ....	2,465,547.00	Balance end of Year. ....	
Including matured of (239). ....		Including matured of (240). ....	
Balance less matured (221). ....	2,465,547.00	Balance less matured (237.3). ....	

Name of issue: DIRECTOR'S DEFERRED COMPENSATION  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: PostRetirement - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of Issue: \_\_\_\_\_

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. ....	69,859.11	Accrued beginning of year. ....	
Issued during year. ....	12,000.00	Accrued during year (427.3). ....	
Total. ....	81,859.11	Total. ....	
Bonds retired this year. ....		Payments during year. ....	
Balance end of year. ....	81,859.11	Balance end of Year. ....	
Including matured of (239). ....		Including matured of (240). ....	
Balance less matured (221). ....	81,859.11	Balance less matured (237.3). ....	

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: \_\_\_\_\_  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: \_\_\_\_\_ issued or assumed:  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \_\_\_\_\_

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. ....		Accrued beginning of year. ....	
Issued during year. ....		Accrued during year (427.3). ....	
Total. ....		Total. ....	
Bonds retired this year. ....		Payments during year. ....	
Balance end of year. ....		Balance end of Year. ....	
Including matured of (239). ....		Including matured of (240). ....	
Balance less matured (221). ....		Balance less matured (237.3). ....	

**SUMMARY OF LONG-TERM DEBT - BONDS (Account 221) AND OTHER (Account 228)**

	ACCOUNT 221	OTHER* ACCOUNT 228	TOTAL*	POST- RETIREMENT BENEFITS ACCOUNT 228	TVA ACCOUNT 228
Balance beginning of year. ....		21,367,857.97	21,367,857.97	2,466,587.11	
Issued during year. .... (Item 137)				80,819.00	
<b>Total. ....</b>		21,367,857.97	21,367,857.97	2,547,406.11	
Bonds retired this year. .... (Item 146)		435,693.09	435,693.09		
Balance end of year. ....		20,932,164.88	20,932,164.88	2,547,406.11	
Including matured of (239). .... (Item 147)					
Balance less matured (221). ....		20,932,164.88	20,932,164.88	2,547,406.11	

(page 2, item 39.1) (page 2, item 39.2) (page 2, item 39.3)

**SUMMARY OF INTEREST ACCRUED - LONG-TERM DEBT(Account 237)**

	TOTAL
Accrued beginning of year. ....	
Accrued during year (427.3) (page 26). ....	949,442.40
<b>Total. ....</b>	949,442.40
Payments during year. ....	949,442.40
Balance end of year. ....	
Including matured of (240). ....	
Balance less matured (237.3) (page 26). ....	

\*Less TVA Long-term Debt and Postretirement Benefits

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTES PAYABLE (Account 231)										
PRINCIPAL DATA						INTEREST ACCRUED				
Balance beginning of year. ....		3,805,501.83		Accrued beginning of year. ....						
New notes issued during year. ....				Accrued during year (as below). ....						
<b>Total. ....</b>		<b>3,805,501.83</b>		<b>Total. ....</b>						
Notes retired this year. ....		18,443.22		Payments during year. ....						
Balance end of year. ....		<b>3,787,058.61</b>		Balance end of year (as below). ....						
Portion of balance TVA (page 2, item 45.1). ....										
Portion of balance non-TVA (page 2, item 45.2). ...		3,787,058.61								
CUSTOMER DEPOSITS (Account 235)										
Balance accrued interest on customer deposits end of year. ....										64,002.41
Balance customer deposits end of year (Account 235). ....										2,637,326.15
<b>Total customer deposits (page 2, item 47). ....</b>										<b>2,701,328.56</b>
SUMMARY OF ACCRUED INTEREST AND INTEREST EXPENSE										
ACCT. NO.	DESCRIPTION	FROM PAGE NO.	REPORT ON BALANCE SHEET AS INDICATED BELOW			REPORT ON REVENUE AND EXPENSE STATEMENT AS INDICATED BELOW				
			ACCT. NO.	PAGE NO.	ITEM NO.	ACCT. NO.	PAGE NO.	ITEM NO.	EXPENSE FOR YEAR	
221	Bonds	25	237.3	2	52.2	427.3	3	90.1		
223	CFC	23	237.2	2	50		427.2	3	88	1,458,633.76
224	RUS	23	237.1	2	49	117,416.50	427.1	3	87	1,425,070.87
229	CoBank	23	237.6	2	51	8,456.03	427.4	3	89	237,167.68
228	TVA long term	25	237.3	2	52.1		427.3	3	90.2	
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	949,442.40
231	TVA Notes Payable	Above	237.5	2	52.1		431	3	90.2	
231	Other notes payable	Above	237.5	2	52.2		431	3	92	
235	Customer Deposits	Above	235	Above	---		431	3	92	157,602.26
---	Delinquent taxes	---	237.5	2	52.2		431	3	92	
Total interest accrued end of year. ....						<b>125,872.53</b>	Net expense for year. ...			<b>4,227,916.97</b>
Total item 49 (page 2) .....							Total item 87 (page 3). ...			1,425,070.87
Total item 50 (page 2) .....						117,416.50	Total item 88 (page 3). ...			1,458,633.76
Total item 51 (page 2) .....						8,456.03	Total item 89 (page 3). ...			237,167.68
Total item 52.1 (page 2) .....							Total item 90.1 (page 3). ...			949,442.40
Total item 52.2 (page 2) .....							Total item 90.2 (page 3). ...			
							Total item 92 (page 3). ...			157,602.26
ACCT. NO.	ACCOUNTS PAYABLE									
232	Accounts payable - general (includes \$22,906,794.75 to TVA for purchased power and Fac.Rental). ....									24,096,337.85
232	Accrued purchased power. ....									
233	Accounts payable - spec. const. ....									
234	Payable to municipal - utility revenue. ....									
234	Other payables to municipality. ....									
<b>Total accounts payable - general (page 2, item 46). ....</b>										<b>24,096,337.85</b>
ACCT. NO.	OTHER CURRENT AND ACCRUED LIABILITIES									
239	Matured long-term debt (pages 23, 24, and 25). ....									
240	Matured interest (pages 23, 24, and 25). ....									
241	Tax collections payable. ....									306,259.44
242	Miscellaneous - accrued insurance. ....									825,623.79
242	Miscellaneous - employees' accrued leave. ....									1,786,703.85
242	Miscellaneous - other. ....									505,197.05
<b>Total other current and accrued liabilities (page 2, item 53). ....</b>										<b>3,423,784.13</b>
OTHER DEFERRED CREDITS (Account 253)										
Payables for plant purchases; (Item 149) .....										
Other items (List): ADVANCES ON SUBDIVISION LIGHTING. ....										290,556.69
Total other deferred credits (page 2, item 56) .....										
<b>Total other deferred credits (page 2, item 56) .....</b>										<b>290,556.69</b>



**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY TAX OR TAX EQUIVALENT								
<input checked="" type="checkbox"/> TAX, OR <input type="checkbox"/> TAX EQUIVALENT			TN. EQUAL- IZATION RATIO	STATE ASSESS- MENT RATIO	TAX ASSESSMENT OR VALUATION	RATE PER \$100	TAX OR EQUIVALENT FOR TAX PERIOD	AMOUNT APPLICABLE FOR FISCAL YEAR
PERIOD	DISTRICT							
1/1/2011 12/31/2011	Ky - Real Estate				7,361,260.00	.1220	8,980.74	4,490.37
1/1/2011 12/31/2011	Ky - Tangible Property				84,122,341.00	.4500	378,550.53	189,275.27
1/1/2011 12/31/2011	Ky - Manufacturing Machinery				32,460,884.00	.1500	48,691.33	24,645.67
1/1/2011 12/31/2011	Butler County				11,107,972.00	.7961	88,430.63	44,215.32
1/1/2011 12/31/2011	Simpson County				9,076,905.00	.7460	67,717.95	33,858.98
1/1/2011 12/31/2011	Edmonson County				9,213,508.00	.8768	80,784.17	40,392.09
1/1/2011 12/31/2011	Barren County				369,873.00	.7637	2,824.66	1,412.33
1/1/2011 12/31/2011	Warren County				34,555,627.00	.6003	207,432.06	103,716.03
1/1/2011 12/31/2011	Grayson County				16,614,563.00	.7517	124,894.49	62,447.25
1/1/2011 12/31/2011	Logan County				4,003,773.00	.7753	31,039.74	15,519.87
1/1/2011 12/31/2011	Ohio County				6,541,380.00	.6442	42,141.21	21,070.61
1/1/2011 12/31/2011	City of Leitchfield				1,165,110.00	.1314	1,530.54	765.27
1/1/2011 12/31/2011	Town of Smiths Grove				112,589.00	.1200	135.11	67.56
1/1/2011 12/31/2011	City of Bowling Green				6,582,265.00	.9670	63,650.35	31,825.18
1/1/2011 12/31/2011	Town of Auburn				240,744.00	.2990	719.82	359.91
1/1/2011 12/31/2011	Town of Park City				100,319.00	.3171	318.11	159.06
1/1/2011 12/31/2011	City of Morgantown				558,651.00	.1019	569.38	284.69
	Accrued and expensed FY 2011 for CY 2011							580,000.00
	Under/Over accrual FY2010							5,794.59
	TOTAL				224,187,764.00		1,148,410.82	1,148,410.82

Where more than one tax period is applicable to the current fiscal year, show beginning and ending dates of each tax period. Compute tax or tax equivalent for each tax period and show amount prorated to this fiscal year. For tax equivalents show all the components of the tax base and applicable tax equivalent by taxing districts. When tax equivalent payments are determined other than by applying applicable tax rates to net plant, describe basis, explain any change from previous period, and include data showing breakdown of net plant by taxing districts and applicable tax rates. Use extra sheets if needed.



**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

**GENERAL INFORMATION**

1. Give the form of management of municipal system. (Power board, Mayor and council, etc.)  
 Board of Directors and General Manager
  
2. In the case of a Power Board (or Utilities Board), list any other departments of the city over which it exercises control.
  
3. (a) Give the statutes under which the electric system was created.  
 RURAL ELECTRIFICATION ADMINISTRATION 1936  
 RURAL ELECTRIC COOPERATIVE CORPORATION ACT-JANUARY 18, 1937  
 (b) Give the statutes under which the electric system is currently operating if different from the above.
  
4. (a) Are customers' accounts billed by an outside organization? Y  
 If so, give name. If not, give the type in-house hardware. SEDC  
 (b) At June 30:
  - 1) What percentage is added to customer bills for late payments? 5.00 %
  - 2) How many days are allowed between date of bill and last day before gross billing applies? 15 days
  - 3) Is an "Even Monthly Payment" (budget billing) plan available for electric consumers? Y Yes      No
  - 4) Amount of security deposit required for residential service:
 

Owner with Electric Heat	\$200.00
Owner without Electric Heat	\$200.00
Tenant with Electric Heat	\$200.00
Tenant without Electric Heat	\$200.00
Other (describe)	
  - 5) Are there any customer deposits that qualify (deposits exceeding 1 month's average bill and held longer than 6 months) for the payment of interest under the service practice standard entitled Deposit? If yes, what rate of interest is paid?
 

Class	Yes/No	Interest Rate
Residential	Y	6.00 %
C & I Part A	Y	6.00 %
C & I Part B	Y	6.00 %
  - 6) Is interest on deposits:
 

Refunded by check annually? .....	<u>    </u> Yes	<u>    </u> N No
Credited on customer's power bill annually? .....	<u>Y</u> Yes	<u>    </u> No
Credited to a deposit account annually? .....	<u>    </u> Yes	<u>    </u> N No
Handled differently (Explain)		
  - 7) Are prior written notice and due process afforded to customers before termination for nonpayment?
 

Prior written notice? .....	<u>Y</u> Yes	<u>    </u> No
Due process? .....	<u>Y</u> Yes	<u>    </u> No
  - 8) Is information about policies and rates available upon request and application for service?
 

Upon request? .....	<u>Y</u> Yes	<u>    </u> No
Upon application for service? .....	<u>Y</u> Yes	<u>    </u> No
  - 9) Are the media used to inform customers about policies and rates?
 

Policies? .....	<u>Y</u> Yes	<u>    </u> No
If yes, how many times during the past 12 months? .....	<u>0</u> Times	
Rates? .....	<u>Y</u> Yes	<u>    </u> No
If yes, how many times during the past 12 months? .....	<u>0</u> Times	
  - 10) Is the most recent 12 months' prior usage available to customers upon request? .....
 Y Yes | No |
  - 11) The cost of a membership certificate is \$10.00

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**GENERAL INFORMATION (CONTINUED)**

5. Give the name of the audit firm conducting this year's audit:  
 Lattimore, Black, Morgan and Cain, PC

6. If water, gas, or other services are operated in connection with electric services, furnish the following information in connection with joint operations.

Water	Wastewtr	Other			
X		X			

(a) Indicate the joint operations with the Electric Utility:

(b) Indicate the % of non-electric ownership of any jointly owned buildings:

(c) Percentage of building space rented to others 10.0000 %

(d) Percentage of building space rented from others \_\_\_\_\_ %

(e) 1) Date of last joint expense study: 5/1/1996

2) Joint expense study was prepared by: \_\_\_\_\_ TVA \_\_\_\_\_ Distributor X Other

3) Indicate the amount of the unresolved annual inequity as reflected by the TVA study:

4) Give the current status of the latest joint expense study:  
 Management contract with water and sewer districts (Warren County, Butler County, and Simpson County) was cancelled January 1999. Management of Grayson County Water District continues. Management rates charged to water district is reviewed annually.

**GOVERNING BOARD**

AMOUNT PAID\*

DIRECTORS OR MEMBERS OF GOVERNING BOARD NAME AND PRINCIPAL OCCUPATION		TERM EXPIRES	AMOUNT PAID*	
			FEES	TRAVEL
PETE DOTSON	RETIRED	05/01/2015	18,000.00	3,303.00
REBECCA GOAD	RETIRED	05/01/2015	20,600.00	4,419.00
DENNIS INGRAM	SMALL BUSINESS OWNER	05/01/2013	18,400.00	4,773.00
B.W. LYONS	RETIRED	05/01/2015	18,400.00	3,217.00
MIKE McGUIRK	SMALL BUSINESS OWNER	05/01/2013	20,500.00	5,302.00
JOE NEELY	FARMER	05/01/2014	19,000.00	5,348.00
KEN ROBBINS	RETIRED	05/01/2013	16,300.00	353.00
TERRY GARMON	REALTOR	05/01/2014	18,400.00	1,736.00
Total . . . . .			149,600.00	28,451.00

\*Show total amounts paid from electric system funds for fiscal year.  
 Method of determining amounts paid to board members is as follows:  
 \$1,000 MONTHLY RETAINER PLUS \$300 PER DIEM FOR BOARD AND OTHER MEETINGS; \$.555 PER MILE PLUS ACTUAL EXPENSES

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

GENERAL INFORMATION (CONTINUED)	
Detail of Account 930 - Miscellaneous General Expense	EXPENSE
Board Fees and Travel	178,051.00
Attorney/Miscellaneous Board Expense	5,065.69
Authorized Expense	9,566.43
Advertising	978.00
Labor	236,565.04
Benefits	66,568.46
Member Advisory	10,889.93
Dues and Subscriptions	266,089.56
Economic Development	7,875.00
Training	5,827.50
KY Living	233,638.70
Retirement Awards	2,288.86
Youth Tour	3,595.00
Marketing	8,768.46
Donations	2,796.58
Miscellaneous	3,544.34
Scholarship	3,107.18
Property Tax	77,792.94
Transportation	8,345.55
Annual Meeting Expense	35,499.93
PEP Expense	14,254.53
TOTAL	1,181,108.68

GENERAL INFORMATION (CONTINUED)

EXPLAIN UNUSUAL INCREASES OR DECREASES IN OPERATING EXPENSES AND INCOME OVER LAST YEAR'S FIGURES; EXTRAORDINARY ITEMS PAGE 3; ITEMS MARKED \* ON PAGES 5 AND 6; AND OTHER ENTRIES TO THE ACCUMULATED PROVISION FOR DEPRECIATION ON PAGE 11.

Page 3, item 29 & Page 29: The distributor follows functional accounting procedures by allocating tax expense to the individual expense accounts based on the plant investment in accounts 352 thru 373 on their plant records. The transfer column on page 29 of the annual report reflects this process and therefore does not show any tax expense on the income statement.

Page 3, item 63: Material junked and sold is included in this account; FY12 had more material junked and less material sold, which resulted in a debit balance for FY12.

Page 3, item 75: Increase due to larger general maintenance for office building, which included painting, resealing parking lot and replacing a gas line.

Page 3, item 85: Decrease in misc income due to voided jobs (\$29,757 in FY11 and \$16,244 in FY12).

Page 3, item 89: Decrease in Cobank interest due to payoff of \$13million short term loan (3yr) in March 2011.

Page 3, item 98: Overall decrease in income due to change in end-use billing; prior year included additional month of revenue on 10 large customers and final true up credit of \$6,083,744. Also in FY12, demand charges were lower than expected resulting in lower purchased power costs.

Page 4 - Other financing activities includes change in directors deferred compensation fund.

Page 6, acct 923: FY11 included fees for IT audit (\$18,000), consulting for Smart Grid (\$17,000) and auditor fees for annual meeting to verify board election results (\$4,000).

Page 6, acct 570: FY11 included contract labor and maintenance fees of \$14,800.

Page 6, acct 595: during FY12, operational services performed an aggressive maintenance program for line transformers, which resulted in an overall increase in labor, benefits and transportation.

Page 7, item 331, will not equal acct 173 bal this year minus last year. Distributor was booking unbilled revenue to acct 142, but will start booking to acct 173 in FY13.

Page 7, item 125: Line loss variance from prior year is due to the wholesale meter read date change.

Page 10, item 394: New tools and equipment related to fiber testing, crimping tools, battery-operated squeeze-on tools, locators and trailers.

Page 10/11 - Account 360 has no removal cost as this was a sale of land to the state of KY for right of way.

Page 16 - AVR aging over 90 days for account 143 is due to the receivable from FEMA for the 2009 Ice Storm; signed extension granting another two years for the state to perform final audit before releasing funds.

Page 17, prepayments balance includes dues of \$82,721.70 and pension plan (RS funding) of \$522,918.95.

LOC- \$8,000,000 with CFC and \$10,000,000 with CoBank

Non-electric Loan outstanding - as of June 30th, PEP loan balance is \$569,651.45. This loan has been approved by TVA.

Economic Development - Warren expensed \$23,271 to acct 912 and \$7,875 to acct 930.

**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

KEY PERSONNEL		
KEY PERSONNEL	TITLE OR OCCUPATIONS	PERCENTAGE OF WAGES CHARGED TO THE ELECTRIC DEPARTMENT
GARY DILLARD	PRESIDENT & CEO	100.00
ROX'ANNE GRAY	VP OF ADMINISTRATIVE & OFFICE SERVICES	100.00
TOM MARTIN	VP OF ENGINEERING & IS	100.00
DEWAYNE MCDONALD	VP OF OPERATIONS	100.00
RICK STARKS	VP OF MEMBER SERVICES	100.00
(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME EMPLOYEES: 160		

2013

Warren Rural Electric Cooperative Corporation

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Name of Organization

951 Fairview Avenue Bowling Green, KY 42102-1118

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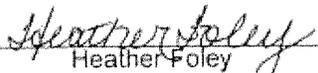
AddressTennessee Valley Authority  
1101 Market Street  
Chattanooga, Tennessee 37402-2801

Gentlemen:

We are transmitting herewith our annual report for the year ended June 30, 2013. The report is in agreement with the books of account, and to the best of our knowledge and belief the statements therein contained are true and correctly reflect the financial condition at June 30, 2013, and the results of our electric operations for the year ended on that date.

Our books of account have been kept in accordance with the provisions of the power contract between this organization and the Tennessee Valley Authority, and are consistent with the requirements of the Federal Energy Regulatory Commission's system of accounts.

(Signed)



Heather Foley

Accountant in charge of books



David Anderson

Manager

09/26/2013

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Date transmittedTVA Act of 1933

In fulfilling the responsibilities of the TVA Act of 1933 [16 U.S.C. #831i and 831n-4(f)], TVA requires each distributor to provide certain financial and accounting information to TVA to ensure that electric power produced by TVA is being sold at rates which are as low as feasible. This form (TVA 3957) is for that purpose.

Public reporting burden for this collection of information is estimated to vary from ten to forty hours per response, with an average of nineteen hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Agency Clearance Officer, Tennessee Valley Authority, 1101 Market Street, Chattanooga, TN 37402; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

BALANCE SHEET				
ASSETS AND OTHER DEBITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
<b>UTILITY PLANT</b>				
Electric Plant .....	10	1	253,173,521.91	245,212,813.79
Less Depreciation .....	10	2	105,645,559.13	102,124,447.26
Total .....	10	3	147,527,962.78	143,088,366.53
Unamortized acq. adj. ....	13	4		
Other utility plant - net .....	---	5		
Total Plant - net .....	---	6	147,527,962.78	143,088,366.53
<b>OTHER PROPERTY AND INVESTMENTS</b>				
Nonutility property - net .....	15	7		
Other investments .....	14	8	5,896,043.93	6,126,391.09
Sinking funds .....	15	9		
Depreciation funds .....	15	10		
Other special funds .....	15	12	93,859.11	60,859.11
Total .....	---	13	5,989,903.04	6,207,250.20
<b>CURRENT AND ACCRUED ASSETS</b>				
General cash and temporary cash investments .....	14	14	16,100,024.86	18,314,596.66
Accounts receivable .....	16	15	8,792,830.63	8,638,402.56
Materials and supplies .....	17	16	2,855,796.17	2,604,278.57
Prepayments .....	17	17	1,227,417.00	1,147,643.91
Other current assets .....	17	18	7,839,085.03	9,606,750.24
Total .....	---	19	36,814,153.69	40,311,671.96
<b>DEFERRED DEBITS</b>				
Debt expense .....	17	20		
Preliminary survey .....	---	21		
Clearing accounts .....	---	22	7,265.80	4,759.27
Energy Service Loans Receivables .....	---	24	16,034.24	13,233.54
Deferred costs on TVA Leases .....	17	25		
Other deferred debits .....	17	26	413,818.37	467,618.92
Total .....	---	27	437,118.41	485,641.73
<b>TOTAL ASSETS AND OTHER DEBITS .....</b>	---	28	<b>190,769,137.92</b>	<b>190,092,930.44</b>
<b>LIST UNRECORDED AND CONTINGENT ASSETS AND LIABILITIES OTHER THAN ACCRUED UTILITY REVENUE AND UNBILLED PURCHASED POWER</b>				

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

BALANCE SHEET				
LIABILITIES AND OTHER CREDITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
<b>CAPITAL</b>				
Membership certificates.....	---	30	616,059.51	612,340.36
<b>EARNINGS REINVESTED IN SYSTEM ASSETS</b>				
Beginning of year.....	---	33	68,774,034.71	63,916,861.49
Current year.....	3	34	4,881,304.31	4,857,173.22
<b>Total</b> .....	---	35	73,655,339.02	68,774,034.71
<b>LONG-TERM DEBT</b>				
RUS.....	23	36	29,368,397.46	29,097,502.98
CFC.....	23	37	27,262,950.21	29,122,377.76
CoBank.....	23	38	2,944,518.77	3,297,553.60
Bonds and other long-term debt.....	25	39.1	20,441,109.00	20,932,164.88
TVA.....	25	39.3		
Debt premium and discount.....	---	40		
<b>Total</b> .....	---	41	80,016,975.44	82,449,599.22
<b>OTHER NON-CURRENT LIABILITIES</b>				
Postretirement Benefits.....	25	39.2	2,749,691.11	2,547,406.11
Energy Service Loans - Advances.....	---	42	16,532.25	13,481.91
Energy Service Loans - Other.....	---	43		
<b>Total</b> .....	---	44	2,766,223.36	2,560,888.02
<b>CURRENT AND ACCRUED LIABILITIES</b>				
TVA notes payable.....	26	45.1		
Other notes payable.....	26	45.2	3,270,329.54	3,787,058.61
Accounts payable.....	26	46	22,703,716.08	24,096,337.85
Customer deposits.....	26	47	2,789,646.54	2,701,326.56
Taxes and equivalents accrued.....	29	48	945,289.87	993,742.62
Interest accrued - RUS.....	23	49		
Interest accrued - CFC.....	23	50	110,381.18	117,416.50
Interest accrued -CoBank.....	23	51	7,353.90	8,456.03
Interest accrued -TVA.....	26	52.1		
Interest accrued - other.....	26	52.2		
Other current liabilities.....	26	53	3,257,951.31	3,423,784.13
<b>Total</b> .....	---	54	33,084,668.42	35,128,124.30
<b>DEFERRED CREDITS</b>				
Advances for construction - refundable.....	18	55	328,419.26	277,387.14
Other deferred credits.....	26	56	301,452.91	290,556.69
<b>Total</b> .....	---	57	629,872.17	567,943.83
<b>TOTAL LIABILITIES AND OTHER CREDITS.....</b>	---	58	190,769,137.92	190,092,930.44

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

REVENUE AND EXPENSE STATEMENT	SEE PAGE NO	ITEM NO	THIS YEAR	LAST YEAR
<b>OPERATING REVENUE</b>				
Electric sales revenue (page 7, item 332)	---	59	173,299,415.63	167,751,307.22
Revenue from late payments	---	60	1,247,776.38	1,184,602.21
Misc. service revenue	---	61	1,273,276.00	1,206,941.23
Rent from electric property	---	62	1,265,940.57	1,205,392.52
Other electric revenue	---	63	64,053.00	3,270.59
<b>Total operating revenue</b>	---	64	<b>177,145,463.58</b>	<b>171,346,972.59</b>
<b>PURCHASED POWER</b>				
Total power cost (page 7, item 342)	7	65	134,674,356.37	128,092,064.05
<b>OPERATION EXPENSE</b>				
Transmission expense	5	66	190,839.07	165,271.07
Distribution expense	5	67	5,518,116.59	5,890,819.89
Customer accounts expense	5	68	3,731,662.84	3,421,741.71
Customer service and informational expense	5	69	564,019.30	605,702.41
Sales expense	5	70	240,647.39	240,966.35
Administrative and general expense	6	71	5,150,014.80	5,187,487.09
<b>Operation expense</b>	6	72	<b>15,355,318.99</b>	<b>15,501,987.52</b>
<b>MAINTENANCE EXPENSE</b>				
Transmission expense	6	73	180,973.34	267,462.65
Distribution expense	6	74	5,408,483.95	5,181,948.41
Administrative and general expense	6	75	219,456.07	307,393.21
<b>Maintenance expense</b>	6	76	<b>5,788,833.36</b>	<b>5,656,804.27</b>
<b>OTHER OPERATING EXPENSE</b>				
Depreciation expense	12	77	8,111,794.11	7,836,028.11
Amortization of acquisition adjustment	13	78		
Taxes and tax equivalents	29	79	4,899,551.38	4,770,073.20
Other operating expense	---	80	13,011,345.49	12,606,096.31
<b>TOTAL OPERATING EXPENSE AND PURCHASED POWER</b>	---	81	<b>168,829,854.21</b>	<b>162,958,952.15</b>
<b>INCOME</b>				
Operating income (item 64, less item 81)	---	82	8,315,609.37	8,390,020.44
Other income	16	83	506,875.51	721,313.84
<b>Total income</b>	---	84	<b>8,822,484.88</b>	<b>9,111,334.28</b>
Miscellaneous income deductions	16	85	34,302.87	26,244.09
<b>Net income before debt expense</b>	---	85	<b>8,788,182.01</b>	<b>9,085,090.19</b>
<b>DEBT EXPENSE</b>				
Interest on long-term debt - MUS	23	87	1,395,900.63	1,425,070.87
Interest on long-term debt - CFC	23	88	1,379,995.00	1,458,833.78
Interest on long-term debt - CoBank	23	89	184,039.76	287,167.68
Interest on long-term debt - other	26	90.1	919,106.29	949,442.40
Interest - TVA	26	90.2		
Other interest expense	---	92	26,736.02	157,602.26
Amortization of debt discount and expense	---	93		
Amortization of premium on debt - credit	---	94		
<b>Total debt expense</b>	---	95	<b>3,908,877.70</b>	<b>4,227,916.97</b>
<b>NET INCOME</b>				
Net income before extraordinary items (item 86, less item 95)	---	96	4,881,304.31	4,857,173.22
Extraordinary items	33	97		
<b>Net Income</b>	2	98	<b>4,881,304.31</b>	<b>4,857,173.22</b>

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

<b>STATEMENT OF CASH FLOWS</b>		
Increase (Decrease) in Cash and Cash Equivalents		
	THIS YEAR	LAST YEAR
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Net Income .....	4,881,304.31	4,857,173.22
<b>Adjustments to Reconcile Net Income to Net Cash:</b>		
Depreciation .....	8,734,734.23	8,425,955.62
<b>Amortization of:</b>		
Acquisition Adjustment .....		
Additions to TVA Leases .....		
Debt Premium or Discount .....		
(Gain) or Loss on Sale of Plant .....		
<b>Changes in Current and Deferred Items:</b>		
Accounts Receivable .....	(154,428.05)	9,642,101.05
Materials and Supplies .....	(251,517.60)	242,727.38
Prepayments and Other Current Assets .....	1,688,892.12	(9,262,575.20)
Deferred Debits .....	51,324.02	63,537.65
Accounts Payable .....	(1,392,621.77)	1,887,410.60
Customer Deposits .....	88,317.98	108,452.84
Taxes and Interest Accrued .....	(58,590.20)	27,303.29
Other Current Liabilities .....	(165,832.82)	410,534.05
Deferred Credits .....	61,928.34	16,418.62
Other .....		
<b>Net Cash Provided by (Used in) Operating Activities .....</b>	<b>13,485,510.56</b>	<b>16,419,039.12</b>
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:</b>		
Additions to Plant .....	(12,412,460.15)	(11,182,090.25)
Removal Cost .....	(967,165.98)	(1,048,972.15)
Salvage .....	205,295.65	125,322.56
Net Change in Other Property and Investment .....	217,347.16	285,694.61
Energy Service Loans Receivable .....	(2,800.70)	(12,063.31)
Plant Sold (Purchased) - Noninstallment Method .....		
Deferred Costs on TVA Leases (excluding amortization) .....		
Other .....		
<b>Net Cash Provided by (Used in) Investing Activities .....</b>	<b>(12,959,784.02)</b>	<b>(11,832,108.54)</b>
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Additional Long-Term Borrowings .....		
Payment of Principal on Long-Term Debt .....	(2,432,623.78)	(3,791,312.57)
Notes Payable .....	(516,729.07)	(18,443.22)
Memberships .....	3,719.15	2,804.27
Energy Service Loans Advances .....	3,050.34	11,307.88
Receipt for Plant Sold - Installment Method .....		
Payment for Plant Purchased - Installment Method .....		
Other: Post Retirement Benefits .....	202,285.00	12,000.00
<b>Net Cash Provided by (Used in) Financing Activities .....</b>	<b>(2,740,298.36)</b>	<b>(3,783,643.64)</b>
<b>NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS ..</b>	<b>(2,214,571.82)</b>	<b>803,286.94</b>
<b>CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR .....</b>	<b>18,314,596.68</b>	<b>17,511,309.74</b>
<b>CASH AND TEMPORARY INVESTMENTS END OF YEAR .....</b>	<b>16,100,024.86</b>	<b>18,314,596.68</b>
<p>NOTE: Cash and Temporary Cash Investments include cash on hand and in demand deposits, and those investments which are generally a part of the power distributor's short-term cash management activities.</p>		

## Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
<b>OPERATING EXPENSE</b>					
<b>1. TRANSMISSION</b>					
560	Supervision and engineering	9,527.90	9,370.57	6,165.42	6,242.32
561	Load dispatching				
562	Station expense	53,977.71	56,908.59	5,839.83	5,428.94
563	Overhead line expense	87,333.46	98,991.91	5,311.58	10,662.50
564	Underground line expense				
566	Miscellaneous				
567	Rents				
(600)	<b>Total transmission operating expense (page 3, item 66)</b>	<b>150,839.07</b>	<b>165,271.07</b>	<b>17,316.83</b>	<b>22,333.76</b>
<b>2. DISTRIBUTION</b>					
580	Supervision and engineering	220,532.40	213,259.41	167,856.86	162,739.24
581	Load dispatching				
582	Station expense	269,876.54	264,979.68	39,827.09	34,701.89
583	Overhead line expense	1,572,818.09	1,655,284.35	429,903.19	514,237.51
584	Underground line expense	373,504.43	332,674.93	154,598.14	141,392.46
585	Street lighting and signal system expense	35,298.00	38,732.31	6,094.54	7,444.69
586	Meter expense	786,083.60	874,080.83	369,051.44	451,645.32
587	Customer installation expense	457,380.05	565,944.35	162,387.70	241,702.48
588	Miscellaneous	1,683,490.54	1,617,400.93	851,654.77	940,720.17
589	Rents	119,129.94	108,482.90		
(605)	<b>Total distribution operating expense (page 3, item 67)</b>	<b>5,518,115.59</b>	<b>5,880,819.89</b>	<b>2,181,373.75</b>	<b>2,494,583.76</b>
<b>3. CUSTOMER ACCOUNTS EXPENSE</b>					
901	Supervision	238,791.36	114,769.38	158,885.33	76,467.74
902	Meter reading expense	558,878.20	526,196.14	203,993.29	224,723.88
903	Customer records and collection expense	2,611,498.95	2,434,292.82	1,170,928.48	1,156,841.55
904	Uncollectible accounts	322,514.33	346,483.37		
905	Miscellaneous				
(610)	<b>Total customer accounts expense (page 3, item 68)</b>	<b>3,731,682.84</b>	<b>3,421,741.71</b>	<b>1,533,607.10</b>	<b>1,458,033.17</b>
<b>4. CUSTOMER SERVICES &amp; INFORMATIONAL EXPENSE</b>					
907	Supervision				
908	Customer assistance expense	452,995.93	486,189.30	305,035.47	300,183.44
909	Informational and instructional advertising expense	111,023.37	119,513.11		
910	Miscellaneous customer service and informational expense				
(615)	<b>Total customer services and informational expense (page 3, item 69)</b>	<b>564,019.30</b>	<b>605,702.41</b>	<b>305,035.47</b>	<b>300,183.44</b>
<b>5. SALES EXPENSE</b>					
911	Supervision				
912	Demonstrating and selling expense	240,647.39	240,584.75	65,326.92	84,241.38
913	Advertising expense		380.60		
916	Miscellaneous				
(620)	<b>Total sales expense (page 3, item 70)</b>	<b>240,647.39</b>	<b>240,965.35</b>	<b>65,326.92</b>	<b>84,241.38</b>

Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
<b>6. ADMINISTRATIVE &amp; GENERAL</b>					
920	Administrative and general salaries	2,362,461.98	2,380,866.88	1,538,877.26	1,550,158.72
921	Office supplies and expense	958,553.32	947,886.48	54,991.94	43,783.72
922	Administrative expense transferred - credit				
923	Outside services employed	109,938.62	77,075.13		
924	Property insurance	39,544.86	33,795.40	25,503.99	22,504.25
925	Injuries and damages	182,182.15	165,893.54	61,999.40	76,141.00
926	Employee pensions and benefits	451,023.28	468,571.30	135,842.24	127,450.82
927	Franchise requirements*				
928	Regulatory commission expense*				
929	Duplicate charges - credit	(92,686.39)	(47,690.27)		
930	Miscellaneous general expense	1,119,416.98	1,181,108.68	142,277.35	114,223.78
931	Rents				
(925)	Total administrative and general expense (page 3, item 71)	6,150,014.80	6,187,487.09	1,959,592.18	1,934,282.29
(930)	Total operating expense (Page 3 item 72)	15,356,318.99	15,501,987.52	6,062,252.25	6,293,637.80
<b>MAINTENANCE EXPENSE</b>					
<b>1. TRANSMISSION</b>					
568	Supervision and engineering				
569	Maintenance of structures				
570	Maintenance of station equipment	1,904.33	11,180.59	1,086.81	7,353.79
571	Maintenance of overhead lines	159,089.01	356,282.06	57,738.19	77,948.17
572	Maintenance of underground lines				
573	Miscellaneous				
(535)	Total transmission maintenance expense (page 3, item 73)	160,973.34	367,462.65	58,825.00	85,301.96
<b>2. DISTRIBUTION</b>					
590	Supervision and engineering	170,999.04	174,977.49	111,819.97	116,555.72
591	Maintenance of structures				
592	Maintenance of station equipment	398,575.40	453,111.22	218,340.88	263,582.34
593	Maintenance of overhead lines	4,448,327.25	4,111,473.78	1,246,810.98	1,278,040.15
594	Maintenance of underground lines	114,330.93	99,554.81	59,124.18	52,169.36
595	Maintenance of line transformers	208,812.33	259,233.58	92,736.44	114,987.26
596	Street lighting and signal systems	63,883.30	77,794.04	26,013.93	31,992.72
597	Maintenance of meters	3,475.70	5,803.49	2,257.80	123.84
598	Maintenance of miscellaneous distribution plant				
(640)	Total distribution maintenance expense (page 3, item 74)	5,408,403.96	5,181,948.41	1,757,104.16	1,857,451.39
<b>3. ADMINISTRATIVE &amp; GENERAL</b>					
935	Maintenance of general plant (page 3, items 75)	219,458.07	307,393.21	38,008.51	47,923.87
(645)	Total maintenance expense (page 3, item 76)	5,788,833.36	5,856,804.27	1,853,937.67	1,990,677.22
(650)	Total operating and maintenance expense	21,144,152.36	21,358,791.79	7,916,189.92	8,284,315.02
(855)	Total direct and indirect payroll charged to construction and retirements			2,226,223.96	1,872,660.12
(660)	Payroll charged to other accounts			1,292,117.71	1,611,190.94
(862)	Fiscal year net change in accrued leave account - (increase) decrease			97,858.61	(17,813.19)
(665)	Total payroll distribution for year			11,532,380.20	11,750,352.89

\*FURNISH DETAILS OF THESE ACCOUNTS ON PAGES 32 AND 33

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

STATISTICAL DATA						
CLASS OF SERVICE	ITEM NO	REVENUE		ITEM NO	KILOWATT-HOURS SOLD	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Residential	100	88,375,656.42	83,449,730.81	107	822,064,470	774,487,385
Gen. Power - 50 kW & under	101	11,599,489.49	11,352,480.72	108	91,129,223	89,060,263
Gen. Power - Over 50 kW	102	72,223,702.11	70,530,193.44	109	867,434,509	849,128,718
Street and athletic	103	1,193,775.70	1,178,699.35	110	6,189,740	6,199,980
Outdoor lighting	104	1,684,277.24	1,673,634.17	111	13,568,110	13,579,349
Subtotal	330	175,076,900.96	168,184,738.49			
Unbilled revenue*	331	(1,777,485.33)	(433,431.27)			
Total (page 3, item 59)	332	173,299,415.63	167,751,307.22	335	1,800,386,052	1,732,455,695
Kilowatt-hours for own use				113	578,755	532,931
Total kilowatt-hours sold and used				114	1,800,964,807	1,732,988,626
Kilowatt-hours in unbilled revenue (items 331) above*				336	(18,176,954)	(4,760,342)

STATE SALES TAX	TO ABOVE CLASSES OF REVENUE	CREDITS	GREEN POWER REVENUE
State and local sales tax on above revenue	KY	3,970,812.00	
Total		3,970,812.00	

PURCHASED POWER						
TVA	ITEM NO	AMOUNT		ITEM NO	KILOWATT-HOURS PURCHASED	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Purchased Power	115	134,451,328.45	128,720,502.37	119	1,892,556,107	1,835,262,942
Facilities Rental	116	223,027.92	271,561.68			
Other Charges/Credits	117					
Total from TVA	118	134,674,356.37	128,992,064.05	122	1,892,556,107	1,835,262,942
Other Purchased Power**	218			222		
Subtotal	340	134,674,356.37	128,992,064.05			
Unbilled Purchases*	341					
Total (page 3, item 65)	342	134,674,356.37	128,992,064.05	345	1,892,556,107	1,835,262,942
Less kilowatt hours sold and used (item 114)				123	1,800,964,807	1,732,988,626
Line losses and kilowatt-hours unaccounted for				124	91,591,300	102,274,316
Percent of losses to purchases (2 decimal places)				125	4.84	5.57
Kilowatt-hours in unbilled purchases (item 341) above*				348		

\*\*Purchased other power under contract number \_\_\_\_\_ from \_\_\_\_\_

NUMBER OF CUSTOMERS			MISCELLANEOUS DATA		
CLASS OF SERVICE	MONTH OF JUNE		Pole Line Miles (2 decimal places) (715)	THIS YEAR	LAST YEAR
	THIS YEAR	LAST YEAR			
Residential (675)	50,833	50,348		5,626.61	5,627.00
Gen. Power - 50 kW & under (680)	9,281	9,152	Individual Outdoor Lts.		
Gen. Power - Over 50 kW (685)	709	698	No. in plant (720)	21,249	21,001
Street and athletic (690)	215	209	Total investment (725)	5,421,260.53	5,357,909.79
Outdoor Lighting - Excl. Code 77 (693)	203	216	O&M expense (730)	146,127.00	148,096.91
Total (695)	61,241	60,623	St. Ltg-Invest. Base (735)	4,257,606.89	4,111,429.14
Outdoor Lighting - Code 77 (697)	12,600	12,554	O&M expense (740)	99,181.30	116,526.35
			Lamps & Glassware (745)	7,273.44	1,846.34

\*Item nos. 331, 336, 341, and 346 are to be filled in only if distributor chooses the option to estimate unbilled electric sales.

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**MODIFIED STREET LIGHTING COMPUTATION**

Give computation of modified street lighting rate relative to lamps and glassware by customers, if applicable:

TOWN	COST OF LAMPS	KWH	ALLOWANCE	EXCESS TO BE BILLED
	AND GLASSWARE	FROM STAT. REPT.	KWH X .003	
Various Cities and Subdivisions	7,273.44	5,440,918	16,322.75	
TOTAL:	7,273.44	5,440,918	16,322.75	

**Warren Rural Electric Cooperative Corporation**

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

<b>ELECTRIC PLANT</b>							
ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
<b>INTANGIBLE</b>							
301	Organization . . . . .						
302	Franchises and consents . . . . .						
303	Miscellaneous . . . . .						
(750)	<b>Total intangible . . . . .</b>						
<b>PRODUCTION</b>							
755	<b>Total production . . . . .</b>						
<b>TRANSMISSION</b>							
350	Land and land rights . . . . .	2,973,538.48					2,973,538.48
351	Cleaning land and rights of way . . . . .						
352	Structures and improvements . . . . .						
353	Station equipment . . . . .	8,098,354.74	30,025.22				8,098,359.96
354	Towers and fixtures . . . . .	68,716.20					68,716.20
355	Poles and fixtures . . . . .	8,140,256.80	347,343.90	64,369.69			8,423,261.01
356	Overhead conductors and devices . . . . .	4,161,198.08	789,229.62	41,069.29			4,909,358.41
357	Underground conduit . . . . .						
358	Underground conductors and devices . . . . .						
359	Roads and trails . . . . .						
(760)	<b>Total transmission . . . . .</b>	<b>23,412,074.30</b>	<b>1,166,598.74</b>	<b>105,438.98</b>			<b>24,473,234.06</b>
<b>DISTRIBUTION</b>							
360	Land and land rights . . . . .	411,072.40					411,072.40
361	Structures and improvements . . . . .						
362	Station equipment . . . . .	28,467,034.74	5,464,688.94	16,569.91			33,915,153.77
363	Storage battery equipment . . . . .						
364	Poles, towers, and fixtures . . . . .	53,261,892.55	1,748,455.63	701,269.67			54,309,078.51
365	Overhead conductors and devices . . . . .	26,905,713.54	732,633.98	108,158.82			27,530,188.70
366	Underground conduit . . . . .						
367	Underground conductors and devices . . . . .	11,648,666.67	781,578.94	23,527.46			12,386,718.15
368	Line transformers . . . . .	34,121,186.44	1,556,017.93	489,068.27			35,186,136.10
369	Services . . . . .	21,738,321.75	907,998.58	270,698.67			22,375,621.66
370	Meters . . . . .	9,233,296.50	352,090.23	1,099,266.42			8,486,122.31
371	Inst. on customers' premises . . . . .	5,357,909.79	139,887.24	76,536.50			5,421,260.53
372	Leased prop. on cust. premises . . . . .						
373	St. lighting and signal systems . . . . .	4,111,429.14	169,888.58	23,710.83			4,257,606.69
(765)	<b>Total distribution . . . . .</b>	<b>195,256,525.52</b>	<b>11,833,240.05</b>	<b>2,808,806.55</b>			<b>204,280,959.02</b>

Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

ELECTRIC PLANT							
ACCT. NO.	GENERAL	BALANCE	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE
		BEG. OF YEAR			DEBIT	CREDIT	END OF YEAR
389	Land and land rights	257,786.77					257,786.77
390	Structures and improvements	7,384,483.83	84,297.86				7,468,781.68
391	Office furniture and equipment	2,459,916.62	332,187.22	739,872.97			2,052,200.87
392	Transportation equipment	6,377,827.35	1,039,809.63	797,833.83			6,640,103.45
393	Stores equipment	4,986.44					4,986.44
394	Tools, shop, and garage equip.	948,356.45	104,546.93				1,052,903.38
395	Laboratory equipment	304,077.09	5,603.57				309,680.66
396	Power operated equipment	463,301.88	230,208.93				713,510.91
397	Communication equipment	3,454,540.31	53,619.69				3,508,160.00
398	Miscellaneous equipment	392,442.00	39,153.63				431,595.63
399	Other tangible property						
(770)	Total general	22,047,676.84	1,909,499.45	1,537,506.50			22,419,671.79
101	Total plant in service	240,716,278.66	14,909,338.24	4,451,752.03			251,173,864.87
102	Electric plant purchased or sold						
104	Electric plant leased to others						
105	Electric plant for future use						
107	Construction work in progress	4,496,535.13	(2,496,878.09)				1,999,657.04
(775)	Total other electric plant	4,496,535.13	(2,496,878.09)				1,999,657.04
(780)	Total electric plant (page 1, item 1)	245,212,813.79	12,412,460.15 (Item 140)	4,451,752.03			253,173,521.91
<b>RESERVES</b>							
106	Accumulated provision for depreciation of electric plant in service					105,645,559.13	
109	Accumulated provision for depreciation of electric plant leased to others						
110	Accumulated provision for depreciation of electric plant held for future use						
	Total accumulated provision for depreciation (page 1, item 2 and page 11)					105,645,559.13	
	Total electric plant, less accumulated provision for depreciation (page 1, item 3)						147,527,962.78
<b>Reclassification Columns</b> Includes major corrections to prior years additions and retirements, transfers between accounts classified in prior years, and classification of plant purchased and/or sold.				<b>Explanations of entries shown in the Reclassification Columns:</b>			

Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

PAGE 11

ACCUMULATED PROVISION FOR DEPRECIATION (Page 10)										
ACCT. NO.	DEPR. RATE	BALANCE BEG. OF YEAR	ACCRUAL	ORIGINAL COST	REMOVAL COST	SALVAGE	OTHER ENTRIES*		BALANCE END OF YEAR	% DEPR.
							DEBIT	CREDIT		
350		74,342.03							74,342.03	3
351										
352										
353	3.0	4,895,856.01	242,615.52						4,938,471.53	61
354	0	58,833.52							58,833.52	86
355	3.33	3,014,874.57	277,164.44	64,369.69	42,228.65	1,918.43			3,187,377.10	38
356	2.75	2,516,596.99	134,049.04	41,069.28	32,347.18	1,828.97			2,579,058.53	53
357										
358										
359										
(785) TOTAL		10,360,503.12	653,849.00	105,438.98	74,575.83	3,745.40			10,838,082.71	44
360										
361										
362	3.7	13,482,712.85	1,118,831.51	16,568.91	10,307.88	361.17			14,575,027.75	43
363										
364	3.00	18,487,425.89	1,613,538.73	701,269.67	432,047.96	19,731.56			18,986,378.55	35
365	2.50	10,090,126.87	678,245.75	108,158.82	64,147.39	3,135.99			10,599,202.40	39
366										
367	3.05	3,213,186.11	358,492.61	23,527.46	20,648.02	381.86			3,527,884.90	28
368	3.00	12,098,024.77	1,041,819.53	489,068.27	144,414.19	62,359.11			12,568,720.95	36
369	6.50	12,324,348.19	1,229,262.95	270,698.67	160,281.14	6,903.51			13,129,534.85	59
370	3.00	1,473,816.68	253,464.44	1,099,266.42					628,014.08	7
371	7.00	4,408,201.89	219,951.80	76,536.50	47,552.10	2,090.58			4,506,155.07	83
372										
373	7.00	2,737,364.32	290,545.52	23,710.83	13,191.47	550.60			2,991,558.14	70
(790) TOTAL		78,315,207.56	6,804,152.85	2,808,806.55	892,590.15	94,514.18			81,512,477.89	40
389										
390	3.00	3,833,045.70	222,826.21						4,055,871.91	54
391	various	2,204,861.95	128,331.58	739,872.97					1,593,320.36	78
392	various	3,659,809.92	622,940.12	797,633.53		107,036.07			3,582,152.58	54
393	0	4,966.44							4,966.44	100
394	4.00	614,712.21	58,178.77						672,890.98	64
395	6.0	213,360.99	14,283.93						227,634.92	74
396	6.00	210,737.02	53,675.48						264,412.50	37
397	10.00	2,366,183.55	151,090.52						2,517,274.07	72
398	5.00	341,068.50	25,405.97						366,474.77	85
399										
(795) TOTAL		13,448,736.58	1,276,732.38	1,537,506.50		107,036.07			13,294,998.53	59
(800) OTHER										
(805) TOTALS		102,124,447.26	8,734,734.23	4,451,752.03	967,165.98	205,295.65			105,645,559.13	42

(Item 142) (Item 138)

\*Use other entries to report depreciation on property purchased, classify in accruals - unusual entries - explain on page 32.

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**ACCUMULATED PROVISION FOR DEPRECIATION - CONTINUED**

Depreciation expense (403 and 404) (page 3, item 77) . . . . .	(810)	8,111,794.11
Depreciation charged to transportation expense - clearing . . . . .	(815)	622,940.12
Depreciation charged to building expense - clearing . . . . .	(820)	
Depreciation charged to other accounts (list each account number) . . . . .	(825)	
.....	(830)	
.....	(835)	
.....	(840)	
<b>Total accrual (page 11) . . . . .</b>	<b>(Item 128)</b>	<b>8,734,734.23</b>

Explanations (continue on page 33 if necessary)



**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

<b>INVESTMENTS IN ASSOCIATED COMPANIES</b> (Report only the investments not considered as current assets)			
<b>OTHER INVESTMENTS - GENERAL FUNDS</b>			
Investments included in Accounts 123 and 124			
DESCRIPTION OF INVESTMENTS (GROUP BY TYPE OF INVESTMENT AND SHOW NO. OF INVESTMENTS)	BALANCE END OF YEAR	INCOME	GAIN OR (LOSS) ON SALES
KAEC- Certificate of Deposit (2)	55,000.00	133.40	
KAEC- Debenture (1)	2,000.00	90.00	
CoBank- Stock	1,000.00		
CFC - Member Capital	25,000.00	1,875.00	
CFC- Capital Term Certificates (24)	2,099,538.88	95,141.14	
Investment in Penwar (50% ownership)	35,178.27		
Investment in Subsidiary Propane Energy Partners	2,723,521.71		
Investment in Subsidiary- Millennium Energy	950,370.36		
Bonds (2)	1,500.00		
EPSI Investment in Federated	2,934.71		
<b>Subtotal</b>	<b>5,896,043.93</b>	<b>97,239.54</b>	
	(page 1, item 8)	(account 419, page 16)	
<b>INVESTMENTS OF FUNDS OTHER THAN GENERAL FUNDS</b>			
(Investments included in Accounts 125, 126, and 128 - page 15)			
Director's Deferred Compensation	93,859.11		
<b>Subtotal</b>	<b>93,859.11</b>		
	(page 15)	(account 419, page 16)	
<b>CASH AND TEMPORARY CASH INVESTMENTS - GENERAL FUNDS</b>			
(Report only investments considered as current assets)			
Commercial Paper		121.44	
Repurchase Agreement	15,828,089.69	597.50	
RUS Cushion of Credit		11,828.64	
<b>Total Temporary Cash Investments</b>	<b>15,828,089.69</b>	<b>12,547.58</b>	
CASH (Accounts 131 - 135)	271,935.17	39.50	
<b>Subtotal</b>	<b>16,100,024.86</b>	<b>12,587.08</b>	
	(page 1, item 14)	(account 419, page 16)	
<b>Grand Total</b>	<b>22,089,927.90</b>	<b>109,826.62</b>	

**Warren Rural Electric Cooperative Corporation**

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SPECIAL FUNDS					
	ACCOUNT 125	ACCOUNT 126	ACCOUNT 128		
	TOTAL SINKING FUNDS	DEPRECIATION FUNDS	CONSTRUCTION FUNDS	TOTAL OTHER SPECIAL FUNDS	TOTAL OF ALL SPECIAL FUNDS
Cash included in fund end of year . . . . .				93,859.11	93,859.11
Investments in fund end of year (page 14) . . . . .					
Balance of fund end of year (page 1) . . . . .				93,859.11	93,859.11
	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)		
Minimum balance required* . . . . .					
Authority creating fund**				Board	
<p>* Explain difference if fund balance is less than minimum required                      ** State whether fund is required by bond contract, board action, etc.</p> <p>Total Sinking</p> <p>Depreciation</p> <p>Construction</p> <p>Other                      Directors Deferred Compensation, no minimum balance required.</p>					
<p>Note: Report all debt service funds as sinking funds.                      Report all funds for renewals and replacements as depreciation funds.</p>					
NONUTILITY PROPERTY (Account 121)					
DESCRIPTION AND LOCATION OF PROPERTY			DATE ACQUIRED	BOOK COST	NET INCOME (ACCOUNT 418)
Old WRECC Corporate Office Building	Bowling Green		7/1/1950		85,928.15
Amortization of PEP Goodwill			8/31/2004		(15,000.00)
Amortization of PEP Asset Appreciation			9/30/1998		140,692.39
Equity in Subsidiary Companies					
Total . . . . .					211,620.54
Less accumulated provision for depreciation (account 122) . . . . .					
Total net of depreciation (page 1, item 7) . . . . .					(page 16)

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

ACCT NO.	OTHER INCOME	
415	Revenue from merchandising, jobbing, etc. ....	(2,609.02)
416	Cost and expense of merchandising, etc. ....	(7,354.51)
417*	Income from nonutility operations - net of expense. ....	(10,196.67)
418	Nonoperating rental income - net of expense (page 15). ....	211,620.54
419	Interest and dividend income (page 14). ....	109,626.62
419.1	Interest charged to construction. ....	
421*	Misc. nonoperating income - net of expense. ....	205,588.55
(845)	<b>Total other income (page 3, item 83).</b> .....	<b>506,875.51</b>

\*Explain these items briefly:                      417    421  
 Revenue less expense of providing management services to:                      Patranage Dividends \$156,075.40, Income in PerWar \$1120.86; Workers Comp Retention Dividend \$26,530; Grayson County Water District (\$505.23); Propane Energy Partners \$134.89; Total Security Systems (\$9728.33)                      Subdivision Lighting income \$16,574.76; Miscellaneous income \$5,286.51

ACCT NO.	MISCELLANEOUS INCOME DEDUCTIONS	
425*	Miscellaneous amortization. ....	
426*	Miscellaneous income deductions. ....	34,302.87
(850)	<b>Total misc. income deductions (page 3, item 85).</b> .....	<b>34,302.87</b>

\*Explain these items briefly:                      425    426  
 Primary expense includes voided work orders for abandoned projects and jobs. Cost higher than normal due to cleaning up old work orders prior to software conversion

**INVESTMENT PROCEDURES**

Are investments in excess of \$100,000 secured?     Yes     No    If yes, how?

ACCT NO.	RECEIVABLES	
141	Notes receivable (Explain on page 33). ....	
142	Customer accounts receivable. ....	7,858,199.39
143	Other accounts receivable. ....	1,341,318.62
146	Accounts receivable municipality (Explain on page 33 if over 45 days past due). ....	13,046.74
	<b>Total. ....</b>	<b>9,212,564.75</b>
144	Accumulated provision for uncollectible accounts. ....	419,734.12
	Accounts receivable net of reserve (page 1, item 15). ....	<b>8,792,830.63</b>

**AGE OF RECEIVABLES AT JUNE 30**

	ACCOUNT 141	ACCOUNT 142	ACCOUNT 143	ACCOUNT 146
Accounts with credit balances. ....		313,178.27		
Due after June 30. ....		2,808,454.24		
From 1 to 30 days past due. ....		4,852,688.30	117,186.97	13,046.74
From 31 to 60 days past due. ....		173,809.29	79,529.58	
From 61 to 90 days past due. ....		62,115.63	(9,380.48)	
Over 90 days past due. ....		174,110.20	1,153,982.55	
<b>Totals (as above). ....</b>		<b>7,858,199.39</b>	<b>1,341,318.62</b>	<b>13,046.74</b>

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

ACCT. NO.	MATERIALS AND SUPPLIES	
154	Plant materials and operating supplies .....	2,855,796.17
155	Merchandise .....	
156	Other materials and supplies .....	
163	Stores expense undistributed .....	
(855)	<b>Total materials and supplies (page 1, item 16) .....</b>	<b>2,855,796.17</b>
Give dates of physical inventories this year <u>04/24/2013</u>		
Total of adjustments: \$ _____ over, or \$ <u>54,436.28</u> short		
ACCT. NO.	PREPAYMENTS - Account No. 165	
	Prepaid insurance .....	565,762.09
	Prepaid employee pension plan .....	
	Prepaid taxes (page 29) .....	
	Prepaid rents .....	
	Other prepayments .....	661,654.91
	<b>Total prepayments (page 1, item 17) .....</b>	<b>1,227,417.00</b>
ACCT. NO.	OTHER CURRENT ASSETS	
171	Interest and dividends receivable .....	39,171.70
172	Rents receivable .....	363,000.90
173	Accrued utility revenue .....	7,435,912.43
174	Miscellaneous current and accrued assets .....	
	<b>Total other current assets (page 1, item 18) .....</b>	<b>7,838,085.03</b>
ACCT. NO.	DEFERRED DEBITS	
181	Unamortized debt expense (page 1, item 20) .....	
Give method and period of amortization:		
186	Deferred costs on TVA leases (page 1, item 25)	
	Additions .....	
	Removal Costs .....	
	Salvage .....	
	Accumulated Amortization .....	
	<b>Total as above .....</b>	
186	Miscellaneous deferred debits (page 1, item 26)	413,818.37
List of items:		
	Receivables from plant sales (item 148)	
	Other items (list):	
	Computer Software/Fees .....	198,917.44
	Customer Loans Receivable .....	(1,239.19)
	R&S Plan Amendment 1/2000 .....	216,140.12
	.....	
	.....	
	.....	
	.....	
	.....	
	.....	
	.....	
	.....	
	<b>Total as above .....</b>	<b>413,818.37</b>



**Warren Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200		CURRENT MATURITIES OF LONG TERM DEBT		DIRECTOR'S DEFERRED COMPENSATION		FFB LONG TERM DEBT
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2013					20,441,109.00	
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
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2055						
2056						
2057						
OUTSTANDING END OF YEAR 300					20,441,109.00	

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE					
DETAILS REGARDING BONDS ON PAGE					
MATURITIES:		0/0			
MONTH AND DAY 100		POST RETIREMENT BENEFITS			
NAME OF ISSUE 200					
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	TOTAL MATURITIES
2013					20,441,109.00
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
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2045					
2046					
2047					
2048					
2049					
2050					
2051					
2052					
2053					
2054					
2055					
2056					
2057					
OUTSTANDING					20,441,109.00
END OF YEAR	300				

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

SUMMARY OF LONG-TERM DEBT - RUS										
NOTE NUMBER	DATE OF NOTE	INT. RATE	TERM OF NOTE (YR)	DATE REPAYMENTS BEGIN MO/YEAR	AMOUNT OF ALLOTMENT	BALANCE DUE ON ALLOTMENT (ACCOUNT 224.2)	AMOUNT REPAID THIS YEAR			OUTSTANDING END OF YEAR
							PRINCIPAL	INTEREST	DEFERRED INTEREST	EXCLUDING CUSHION OF CREDIT
01-A420	11/1/2004	4.24	35	11/2006	3,000,000.00		54,981.63	114,218.37		2,667,353.34
02-A421	11/1/2004	4.71	35	11/2006	4,000,000.00		68,962.95	170,557.05		3,588,223.74
03-A422	11/1/2004	4.58	35	11/2006	6,000,000.00		105,315.98	248,204.02		5,368,868.57
04-A423	11/1/2004	4.88	35	10/2006	6,000,000.00		101,035.35	266,164.65		5,406,093.07
05-A424	11/1/2004	4.78	35	03/2007	6,000,000.00		102,499.57	261,820.43		5,428,561.99
06-B425	11/1/2007	4.43	35	12/2007	5,000,000.00		90,893.26	203,106.74		4,541,177.44
07-B426	2/1/2008	4.35	35	03/2008	3,274,000.00		60,403.19	130,929.37		2,980,838.20
08-NOTES PAY				/						(612,718.89)
09-				/						
10-				/						
11-				/						
12-				/						
13-				/						
14-				/						
15-				/						
16-				/						
17-				/						
18-				/						
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38-				/						
39-				/						
40-				/						
<b>(860) Total</b>					<b>33,274,000.00</b>		<b>584,091.93</b>	<b>1,395,000.63</b>		<b>29,368,397.46</b>
List Note Numbers Paid Monthly:    A420    A421    A422    A423    A424    B425    B426										

\*EXCLUDING CUSHION OF CREDIT.

Warren Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SUMMARY OF LONG-TERM DEBT - CFC AND/OR COBANK											
NOTE NUMBER	DATE OF NOTE	INT. RATE	CFC OR COBANK	TERM OF DEBT (YRS)	AMOUNT OF LOAN APPROVED	UNADVANCED LOAN	AMT REPAY THIS YEAR FOR REGULAR BILLINGS		OUTSTANDING END OF YEAR	RIS LOAN SUPPLEMENTED	
							PRINCIPAL	INTEREST		NOTE NUMBER	%
01-9010-V	4/25/1978	6.05	CFC	35	1,313,000.00		75,304.66	2,181.91		B350/352	20.00
02-9014-V	3/24/1981	6.15	CFC	35	2,384,000.00		142,601.42	31,267.18	440,146.46	B360/362	30.00
03-9015	2/10/1984	4.20	CFC	35	1,210,300.00		64,303.38	15,267.36	420,775.00	B370/372	30.00
04-9016-V	11/10/1988	6.15	CFC	35	4,377,000.00		158,341.49	147,587.75	2,401,768.96	B380/382	30.00
05-9020-01 V	9/1/1998	6.10	CFC	15	1,645,286.00		164,961.20	6,336.73		N/A	
06-RX0134T1	4/14/2004	4.80	COBANK	9	2,382,232.00		264,191.32	6,421.54		N/A	
07-R10134T4	3/1/2005	4.45	COBANK	10	1,250,000.00		141,094.38	23,055.19	263,595.87	N/A	
08-R10134T5	11/2/2005	5.66	COBANK	6	1,402,033.00		43,552.99	34,766.82	1,128,152.24	N/A	
09-R10134T6	11/2/2005	5.83	COBANK	10	1,725,995.00		52,979.28	84,874.51	1,394,516.95	N/A	
10-R10134T8	2/20/2009	6.78	COBANK	8	824,640.38		98,468.20	36,223.83	467,735.51	N/A	
11-9023002	10/15/2010	2.35	CFC	2	1,534,818.19		387,082.59	2,274.11		N/A	
12-9023003	10/15/2010	2.75	CFC	3	1,604,448.23		1,199,204.50	36,006.11	405,243.73	N/A	
13-9023004	10/15/2010	3.10	CFC	4	1,447,516.78			44,873.02	1,447,516.78	N/A	
14-9023005	10/15/2010	3.40	CFC	5	1,521,509.54			51,731.33	1,521,509.54	N/A	
15-9023006	10/15/2010	3.70	CFC	6	1,416,927.58			52,426.33	1,416,927.58	N/A	
16-9023007	10/15/2010	3.95	CFC	7	1,334,441.25			52,710.43	1,334,441.25	N/A	
17-9023008	10/15/2010	4.15	CFC	8	1,401,664.03			58,169.06	1,401,664.03	N/A	
18-9023009	10/15/2010	4.30	CFC	9	1,375,388.60			59,141.71	1,375,388.60	N/A	
19-9023010	10/15/2010	4.45	CFC	10	1,363,592.02			60,879.85	1,363,592.02	N/A	
20-9023011	10/15/2010	4.55	CFC	11	1,435,012.52			65,293.07	1,435,012.52	N/A	
21-9023012	10/15/2010	4.65	CFC	12	1,507,641.36			70,105.31	1,507,641.36	N/A	
22-9023013	10/15/2010	4.70	CFC	13	1,584,775.01			74,484.43	1,584,775.01	N/A	
23-9023014	10/15/2010	4.80	CFC	14	1,202,065.13			57,699.12	1,202,065.13	N/A	
24-9023015	10/15/2010	4.90	CFC	15	1,071,407.65			52,498.98	1,071,407.65	N/A	
25-9023016	10/15/2010	5.00	CFC	16	1,125,703.85			56,285.19	1,125,703.85	N/A	
26-9023017	10/15/2010	5.00	CFC	17	1,183,296.91			59,164.84	1,183,296.91	N/A	
27-9023018	10/15/2010	5.00	CFC	18	1,243,469.73			62,173.50	1,243,469.73	N/A	
28-9023019	10/15/2010	5.05	CFC	19	1,070,485.15			54,059.51	1,070,485.15	N/A	
29-9023020	10/15/2010	5.10	CFC	20	912,759.42			46,550.72	912,759.42	N/A	
30-9023021	10/15/2010	5.10	CFC	21	959,457.86			48,932.34	959,457.86	N/A	
31-9023022	10/15/2010	5.15	CFC	22	1,008,378.80			51,931.52	1,008,378.80	N/A	
32-9023023	10/15/2010	5.15	CFC	23	1,060,247.64			54,602.76	1,060,247.64	N/A	
33-9023024	10/15/2010	5.15	CFC	24	244,585.57			12,596.15	244,585.57	N/A	
34-NOTE PAY			CFC						(1,875,310.34)		
35-NOTES PAY			COBANK						(309,481.80)		
36-											
37-											
38-											
39-											
40-											
41-											
(865) Total					47,124,079.20		2,792,085.41	1,572,172.21	30,207,468.98		

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

LONG-TERM DEBT - RUS		
ACCT	PRINCIPAL DATA	AMOUNT
224.1	Long-term debt - RUS	29,368,397.46
224.2	Unadvanced RUS allotment - debit (page 21)	
224.3	Deferred interest - RUS	
224.4	Long-term debt - RUS - matured and deferred	
224.5	Cushion of credit - RUS - debit	
Net balance due RUS as above (page 2, item 36)		29,368,397.46
Total additions to RUS long-term debt this year (item 132)		
Repayments for the year excluding advance payments (item 143)		584,091.93
INTEREST ACCRUED - RUS (Account 237.1)		
Balance beginning of year (matured \$ .00)		
Accrued during year (Account 427.1) (page 3, item 87) (page 26 summary)		1,395,000.63
Repayments this year		1,395,000.63
Balance end of year (matured \$ .00) (page 2, item 49)(page 26 summary)		
LONG-TERM DEBT - CFC		
ACCT	PRINCIPAL DATA	AMOUNT
223.1	Subscriptions to CFC capital term certificates - debit	
223.2	Unpaid subscriptions to CFC capital term certificates - credit	
223.4	CFC loan approved - unadvanced - debit (page 22)	
223.5	Long-term debt - CFC credit	27,262,950.21
223.61	Patronage capital certificates - debit	
223.62	Deferred patronage dividends - credit	
Net CFC account (account 223) (page 2, item 37)		27,262,950.21
Total additions to CFC long-term debt this year (item 135)		
Repayments for the year excluding advance payments (item 144)		2,191,799.24
INTEREST ACCRUED - CFC (Account 237.2)		
Balance beginning of year (matured \$ .00)		117,416.50
Accrued during year (Account 427.1) (page 3, item 89) (page 26 summary)		1,379,995.00
Repayments this year		1,387,030.32
Balance end of year (matured \$ .00) (page 2, item 50)(page 26 summary)		110,381.18
LONG-TERM DEBT - COBANK		
ACCT	PRINCIPAL DATA	AMOUNT
229.10	Long Term Debt - CoBank - credit	2,944,516.77
229.20	Unadvanced allotment - CoBank - debit	
229.30	Subscription to class "C" stock - CoBank - debit	
229.40	Unpaid subscription to class "C" stock - CoBank - credit	
229.50	Allocated earnings receivable - CoBank - debit	
229.51	Allocated earnings deferred - CoBank - credit	
Net CoBank account (account 229) (page 2, item 38)		2,944,516.77
Amount received on allotment this year (item 136)		
Repayments this year (item 145)		600,266.17
INTEREST ACCRUED - COBANK (Account 237.6)		
Balance beginning of year (matured \$ .00)		8,456.03
Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary)		184,039.76
Repayments this year		185,141.89
Balance end of year (matured \$ .00) (page 2, item 51)(page 26 summary)		7,353.90

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: CURRENT MATURITIES OF LONG TERM DEBT  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \_\_\_\_\_  
 Conditions under which bonds may be called: \_\_\_\_\_  
 If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	3,787,058.61	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	
Total	3,787,058.61	Total	
Bonds retired this year	516,729.07	Payments during year	
Balance end of year	3,270,329.54	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	3,270,329.54	Balance less matured (237.3)	

Name of issue: FFB LONG TERM DEBT  
 Date of issue: 04/15/1998 Amount of original issue: \$ 29,520,000.00  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: Other - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: Financing of utility plant: \$2.1M 4/1998 at 6.143%; \$1.2 M 10/1998 at 5.191%; \$1.7M 12/1998 at 5.098%; \$7.5M 4/2009 at 3.822%; \$4.05M 12/09 4.384%; \$1.745M 12/10 at 4.246%; \$4.7M 1/11 at 4.247%  
 Conditions under which bonds may be called: \_\_\_\_\_  
 If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	20,932,164.88	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	919,106.29
Total	20,932,164.88	Total	919,106.29
Bonds retired this year	491,055.88	Payments during year	919,106.29
Balance end of year	20,441,109.00	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	20,441,109.00	Balance less matured (237.3)	

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: POST RETIREMENT BENEFITS  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: PostRetirement - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: FAS 106 & FAS 158 REQUIREMENT

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	2,465,547.00	Accrued beginning of year	
Issued during year	190,285.00	Accrued during year (427.3)	
Total	2,655,832.00	Total	
Bonds retired this year		Payments during year	
Balance end of year	2,655,832.00	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	2,655,832.00	Balance less matured (237.3)	

Name of issue: DIRECTOR'S DEFERRED COMPENSATION  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: PostRetirement - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \_\_\_\_\_

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	81,859.11	Accrued beginning of year	
Issued during year	12,000.00	Accrued during year (427.3)	
Total	93,859.11	Total	
Bonds retired this year		Payments during year	
Balance end of year	93,859.11	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	93,859.11	Balance less matured (237.3)	

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)**

Name of issue: \_\_\_\_\_  
 Date of issue: \_\_\_\_\_ Amount of original issue: \$ \_\_\_\_\_  
 Cash realized: \$ \_\_\_\_\_ Discount: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_ Exp: \$ \_\_\_\_\_  
 If rates are variable, state what index they are tied to and length of time between readjustments: \_\_\_\_\_  
 Interest due dates: \ \_\_\_\_\_ Principal due dates: \ \_\_\_\_\_ Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: \_\_\_\_\_ Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \_\_\_\_\_

Conditions under which bonds may be called: \_\_\_\_\_

If bonds were called this year give amount called: \$ \_\_\_\_\_ Price paid: \$ \_\_\_\_\_

**PRINCIPAL DATA**

**INTEREST ACCRUED**

Balance beginning of year .....		Accrued beginning of year .....	
Issued during year .....		Accrued during year (427.3) .....	
Total .....		Total .....	
Bonds retired this year .....		Payments during year .....	
Balance end of year .....		Balance end of Year .....	
Including matured of (239) .....		Including matured of (240) .....	
Balance less matured (221) .....		Balance less matured (237.3) .....	

**SUMMARY OF LONG-TERM DEBT - BONDS (Account 221) AND OTHER (Account 228)**

	ACCOUNT 221	OTHER* ACCOUNT 228	TOTAL*	POST- RETIREMENT BENEFITS ACCOUNT 228	TVA ACCOUNT 228
Balance beginning of year .....		20,932,164.88	20,932,164.88	2,547,406.11	
Issued during year .....				202,285.00	
Total .....		20,932,164.88	20,932,164.88	2,749,691.11	
Bonds retired this year .....		491,055.88	491,055.88		
Balance end of year .....		20,441,109.00	20,441,109.00	2,749,691.11	
Including matured of (239) .....					
Balance less matured (221) .....		20,441,109.00	20,441,109.00	2,749,691.11	

(page 2, item 39.1) (page 2, item 39.2) (page 2, item 39.3)

**SUMMARY OF INTEREST ACCRUED - LONG-TERM DEBT (Account 237)**

	TOTAL
Accrued beginning of year .....	
Accrued during year (427.3) (page 26) .....	919,106.29
Total .....	919,106.29
Payments during year .....	919,106.29
Balance end of year .....	
Including matured of (240) .....	
Balance less matured (237.3) (page 26) .....	
*Less TVA Long-term Debt and Postretirement Benefits	

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

NOTES PAYABLE (Account 231)										
PRINCIPAL DATA						INTEREST ACCRUED				
Balance beginning of year			3,787,058.61		Accrued beginning of year					
New notes issued during year					Accrued during year (as below)					
Total			3,787,058.61		Total					
Notes retired this year			516,729.07		Payments during year					
Balance end of year			3,270,329.54		Balance end of year (as below)					
Portion of balance TVA (page 2, item 45.1)										
Portion of balance non-TVA (page 2, item 45.2)			3,270,329.54							
CUSTOMER DEPOSITS (Account 235)										
Balance accrued interest on customer deposits end of year										(1,812.66)
Balance customer deposits end of year (Account 235)										2,791,459.20
Total customer deposits (page 2, item 47)										2,789,646.54
SUMMARY OF ACCRUED INTEREST AND INTEREST EXPENSE										
ACCT. NO.	DESCRIPTION	FROM PAGE NO.	REPORT ON BALANCE SHEET AS INDICATED BELOW				REPORT ON REVENUE AND EXPENSE STATEMENT AS INDICATED BELOW			
			ACCT. NO.	PAGE NO.	ITEM NO.	ACCRUED END OF YEAR	ACCT. NO.	PAGE NO.	ITEM NO.	EXPENSE FOR YEAR
221	Bonds	25	237.3	2	52.2		427.3	3	90.1	
223	CFC	23	237.2	2	50	110,381.18	427.2	3	88	1,379,995.00
224	RUS	23	237.1	2	49		427.1	3	87	1,395,000.63
229	CoBank	23	237.6	2	51	7,353.90	427.4	3	89	184,039.76
228	TVA long term	25	237.3	2	52.1		427.3	3	90.2	
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	919,106.29
231	TVA Notes Payable	Above	237.5	2	52.1		431	3	90.2	
231	Other notes payable	Above	237.5	2	52.2		431	3	92	
235	Customer Deposits	Above	235	Above	---		431	3	92	28,736.02
---	Delinquent taxes	---	237.5	2	52.2		431	3	92	
Total interest accrued end of year						117,735.08	Net expense for year		3,906,877.70	
Total item 49 (page 2)							Total item 87 (page 3)		1,395,000.63	
Total item 50 (page 2)						110,381.18	Total item 88 (page 3)		1,379,995.00	
Total item 51 (page 2)						7,353.90	Total item 89 (page 3)		184,039.76	
Total item 52.1 (page 2)							Total item 90.1 (page 3)		919,106.29	
Total item 52.2 (page 2)							Total item 90.2 (page 3)			
							Total item 92 (page 3)		28,736.02	
ACCOUNTS PAYABLE										
232	Accounts payable - general (includes \$21,450,678.83 to TVA for purchased power and Fac.Rental)									22,703,716.08
232	Accrued purchased power									
233	Accounts payable - spec. const.									
234	Payable to municipal - utility revenue									
234	Other payables to municipality									
Total accounts payable - general (page 2, item 46)										22,703,716.08
OTHER CURRENT AND ACCRUED LIABILITIES										
239	Matured long-term debt (pages 23, 24, and 25)									
240	Matured interest (pages 23, 24, and 25)									
241	Tax collections payable									392,520.95
242	Miscellaneous - accrued insurance									815,124.90
242	Miscellaneous - employees' accrued leave									1,749,905.33
242	Miscellaneous - other									300,400.13
Total other current and accrued liabilities (page 2, item 53)										3,257,951.31
OTHER DEFERRED CREDITS (Account 253)										
Payables for plant purchases; (item 149)										
Other items (List): Advance on Subdivision Lighting										301,452.91
Total other deferred credits (page 2, item 56)										
Total other deferred credits (page 2, item 56)										301,452.91

**Warren Rural Electric Cooperative Corporation**

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

PAYMENTS OF AD VALOREM TAXES OR TAX EQUIVALENTS					
TO WHOM PAID	PERIOD COVERED	AMOUNT	TO WHOM PAID	PERIOD COVERED	AMOUNT
States (list):			Cities (list):		
KY	1/1/2012 12/31/2012	434,462.92	WOODBURN	1/1/2012 12/31/2012	718.51
			AUBURN	1/1/2012 12/31/2012	60,313.61
			BOWLING GREEN	1/1/2012 12/31/2012	122.98
			SMITHS GROVE	1/1/2012 12/31/2012	
			LEITCHFIELD	1/1/2012 12/31/2012	
			PARK CITY	1/1/2012 12/31/2012	297.08
			MORGANTOWN	1/1/2012 12/31/2012	554.83
	Total states . . . . .	434,462.92			
Counties (list):					
SIMPSON	1/1/2012 12/31/2012	67,988.96			
OHIO	1/1/2012 12/31/2012	42,745.34			
BUTLER	1/1/2012 12/31/2012	88,714.74			
WARREN	1/1/2012 12/31/2012	183,441.87			
GRAYSON	1/1/2012 12/31/2012	127,536.90			
LOGAN	1/1/2012 12/31/2012	32,106.22			
BARREN	1/1/2012 12/31/2012	2,901.89			
EDMONSON	1/1/2012 12/31/2012	82,468.01			
	Total counties . . . . .	627,903.93			
			Total cities . . . . .		62,007.01
			Total paid . . . . .		1,124,373.86

If all the tax equivalent is paid to a city and the city makes redistribution payments to states or counties, show these redistribution payments above and mark them with an \*. Also give method of determining amounts redistributed.

Warren Rural Electric Cooperative Corporation  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

PERIOD	DISTRICT	TAX OR EQUIVALENT	TAX OR ASSESSMENT	VALUATION	RATE PER \$100	TAX OR EQUIVALENT	AMOUNT FOR APPLICABLE FISCAL YEAR	BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY TAX OR TAX EQUIVALENT	
								TAX OR EQUIVALENT	AMOUNT FOR APPLICABLE FISCAL YEAR
1/1/2012 - 12/31/2012	Ky - Rural Electric		7,361,260.00	1.220	8,980.74	4,490.37			
1/1/2012 - 12/31/2012	Ky - Tangible Property		84,122,341.00	4.500	378,550.53	189,275.27			
1/1/2012 - 12/31/2012	Ky - Manufacturing Machinery		32,450,884.00	1.500	48,691.33	24,645.67			
1/1/2012 - 12/31/2012	Barton County		11,252,133.00	7.877	88,714.74	44,357.37			
1/1/2012 - 12/31/2012	Simpson County		9,118,500.00	7.456	67,966.66	33,994.48			
1/1/2012 - 12/31/2012	Edmonson County		9,392,943.00	8.780	82,458.01	41,234.01			
1/1/2012 - 12/31/2012	Barton County		368,995.00	7.864	2,901.89	1,450.95			
1/1/2012 - 12/31/2012	Warren County		31,625,455.00	8.800	183,441.87	91,720.94			
1/1/2012 - 12/31/2012	Clayton County		17,078,120.00	7.489	127,536.80	63,769.45			
1/1/2012 - 12/31/2012	Logan County		4,021,787.00	7.993	32,106.22	16,053.11			
1/1/2012 - 12/31/2012	Ohio County		6,739,843.00	6.942	42,745.34	21,372.67			
1/1/2012 - 12/31/2012	Town of Smiths Grove		102,484.00	1.200	122.98	61.49			
1/1/2012 - 12/31/2012	City of Bowling Green		6,238,020.00	9.669	60,313.61	30,156.81			
1/1/2012 - 12/31/2012	Town of Anson		241,110.00	2.580	718.51	359.26			
1/1/2012 - 12/31/2012	Town of Park City		99,862.00	2.990	297.08	148.54			
1/1/2012 - 12/31/2012	City of Mayhewtown		544,373.00	10.19	554.83	277.42			
Accrued and expensed FY 2012 for CY 2012						575,000.00			
Underover balance FY 2012						(12,613.07)			
TOTAL			222,938,278.00		1,124,373.66	1,124,373.66			

Where more than one tax period is applicable to the current fiscal year, show beginning and ending dates of each tax period. Compute tax or tax equivalent for each tax period and show amount prorated to the fiscal year. For tax equivalents show all the components of the tax base and applicable tax equivalent by taxing district. When tax equivalent payments are determined other than by applying applicable tax rates to net plant, describe basis, explain any change from previous period, and include data showing breakdown of net plant by taxing districts and applicable tax rates. Use extra sheets if needed.



**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**GENERAL INFORMATION**

1. Give the form of management of municipal system. (Power board, Mayor and council, etc.)  
 Board of Directors and General Manager
  
2. In the case of a Power Board (or Utilities Board), list any other departments of the city over which it exercises control.
  
3. (a) Give the statutes under which the electric system was created  
 RURAL ELECTRIFICATION ADMINISTRATION 1936  
 RURAL ELECTRIC COOPERATIVE CORPORATION ACT-JANUARY 18, 1937
- (b) Give the statutes under which the electric system is currently operating if different from the above.
  
4. (a) Are customers' accounts billed by an outside organization? Y  
 If so, give name. If not, give the type in-house hardware. SEDC
- (b) At June 30:
  - 1) What percentage is added to customer bills for late payments? 5.00 %
  - 2) How many days are allowed between date of bill and last day before gross billing applies? 15 days
  - 3) Is an "Even Monthly Payment" (budget billing) plan available for electric consumers? Y Yes      No
  - 4) Amount of security deposit required for residential service:
 

Owner with Electric Heat	\$200.00
Owner without Electric Heat	\$200.00
Tenant with Electric Heat	\$200.00
Tenant without Electric Heat	\$200.00
Other (describe)	
  - 5) Are there any customer deposits that qualify (deposits exceeding 1 month's average bill and held longer than 6 months) for the payment of interest under the service practice standard entitled Deposit? If yes, what rate of interest is paid?
 

Class	Yes/No	Interest Rate
Residential	Y	.18 %
C & I Part A	Y	.18 %
C & I Part B	Y	.18 %
  - 6) Is interest on deposits:
 

Refunded by check annually? .....	<u>    </u> Yes	<u>    </u> N	<u>    </u> No
Credited on customer's power bill annually? .....	<u>Y</u> Yes	<u>    </u> Yes	<u>    </u> No
Credited to a deposit account annually? .....	<u>    </u> Yes	<u>    </u> N	<u>    </u> No
Handled differently (Explain)			
  - 7) Are prior written notice and due process afforded to customers before termination for nonpayment?
 

Prior written notice? .....	<u>Y</u> Yes	<u>    </u> No
Due process? .....	<u>Y</u> Yes	<u>    </u> No
  - 8) Is information about policies and rates available upon request and application for service?
 

Upon request? .....	<u>Y</u> Yes	<u>    </u> No
Upon application for service? .....	<u>Y</u> Yes	<u>    </u> No
  - 9) Are the media used to inform customers about policies and rates?
 

Policies? .....	<u>Y</u> Yes	<u>    </u> No
If yes, how many times during the past 12 months? .....	<u>0</u> Times	
Rates? .....	<u>Y</u> Yes	<u>    </u> No
If yes, how many times during the past 12 months? .....	<u>0</u> Times	
  - 10) Is the most recent 12 months' prior usage available to customers upon request? .....
  - 11) The cost of a membership certificate is \$10.00

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**GENERAL INFORMATION (CONTINUED)**

5. Give the name of the audit firm conducting this year's audit:  
 Lattimore, Black, Morgan and Cain, PC

6. If water, gas, or other services are operated in connection with electric services, furnish the following information in connection with joint operations.

Water	Wastewtr	Other			
X		X			

(a) Indicate the joint operations with the Electric Utility:

(b) Indicate the % of non-electric ownership of any jointly owned buildings:

(c) Percentage of building space rented to others 10.0000 %

(d) Percentage of building space rented from others \_\_\_\_\_ %

(e) 1) Date of last joint expense study: 6/1/2011

2) Joint expense study was prepared by: X TVA \_\_\_\_\_ Distributor \_\_\_\_\_ Other

3) Indicate the amount of the unresolved annual inequity as reflected by the TVA study:

4) Give the current status of the latest joint expense study:  
 Management contract with water and sewer districts (Warren County, Butler County, and Simpson County) was cancelled January 1999. Management of Grayson County Water District continues. Management rates charged to water district is reviewed annually.

**GOVERNING BOARD**

**AMOUNT PAID\***

DIRECTORS OR MEMBERS OF GOVERNING BOARD NAME AND PRINCIPAL OCCUPATION		TERM EXPIRES	AMOUNT PAID*	
			FEES	TRAVEL
PETE DOTSON	RETIRED	05/01/2015	19,900.00	3,718.00
REBECCA GOAD	RETIRED	05/01/2015	20,000.00	6,951.00
DENNIS INGRAM	SMALL BUSINESS OWNER	05/01/2013	21,300.00	6,228.00
B.W. LYONS	RETIRED	05/01/2015	17,000.00	4,157.00
MIKE McGUIRK	SMALL BUSINESS OWNER	05/01/2013	21,900.00	7,201.00
JOE NEELY	FARMER	05/01/2014	18,200.00	6,390.00
KEN ROBBINS	RETIRED	05/01/2013	27,150.00	1,755.00
TERRY GARMON	REALTOR	05/01/2014	19,800.00	2,894.00
Total . . . . .			165,250.00	39,294.00

\*Show total amounts paid from electric system funds for fiscal year.  
 Method of determining amounts paid to board members is as follows:  
 \$1,000 MONTHLY RETAINER PLUS \$300 PER DIEM FOR BOARD AND OTHER MEETINGS; \$ .565 PER MILE PLUS ACTUAL EXPENSES

Warren Rural Electric Cooperative Corporation  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

GENERAL INFORMATION (CONTINUED)	
Detail of Account 930 - Miscellaneous General Expense	EXPENSE
Board Fees and Travel	304,542.91
Attorney/Miscellaneous Board Expense	3,046.11
Authorized Expense	4,635.25
Labor	104,242.25
Benefits	73,816.53
Member Advisory	8,819.94
Dues and Subscriptions	266,512.21
Economic Development	8,375.00
Training	10,409.85
KY Living	240,210.20
Retirement Awards	9,417.16
Community Relations	14,864.20
Conventions	5,642.50
Miscellaneous	4,681.15
Scholarship	1,000.00
Property Tax	74,374.89
Transportation	5,958.46
Annual Meeting Expense	28,578.53
PEP Expense	33,868.96
78th Anniversary Celebration	3,747.14
CEO Search	7,816.47
Scholarship - Golf Outing	4,159.24
TOTAL	1,110,416.99

Warren Rural Electric Cooperative Corporation  
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

PAGE 33

GENERAL INFORMATION (CONTINUED)

EXPLAIN UNUSUAL INCREASES OR DECREASES IN OPERATING EXPENSES AND INCOME OVER LAST YEAR'S FIGURES; EXTRAORDINARY ITEMS PAGE 3; ITEMS MARKED \* ON PAGES 5 AND 6; AND OTHER ENTRIES TO THE ACCUMULATED PROVISION FOR DEPRECIATION ON PAGE 11.

Page 1, Line 22: Clearing account balance due to the FAS 106 expense that was booked after clearing account balances were spread at month end.

Page 3, Line 63: Material junked and sold included in this account: FY12 had more material junked than sold that resulted in a debit balance; FY13 had more material sold, resulting in a higher credit balance.

Page 3, Line 73: Decrease in Transmission Line Maintenance - did not contract clearing with tree service during FY13. FY12 contract was approximately \$214,000.

Page 3, Line 75: Decrease in building maintenance - FY12 included general maintenance expenses related to painting, resealing parking lot, replacing a gas line and repairs to HVAC system.

Page 3, Line 83: Other income decreased from prior year - FY12 included \$165,000 from a Worker's Comp fund that was dissolved.

Page 3, Line 92: Decrease in other interest expense due to the decrease in deposit interest on member accounts - FY12 interest was 6%; FY13 interest was .18%.

Page 5, Acct 901: Increase in expense due to FY12 only included a portion of two employee payroll and benefits and FY13 included 100% of one employee payroll and benefits and four other employees partial payroll and benefits.

Page 6, Acct 923: Increase in outside services due to increased legal fees at the end of FY13 and additional legal fees for sales tax issues responding to sales tax audit.

Page 6, Acct 571: Decrease in Transmission Line Maintenance - did not contract clearing with tree service during FY13. FY12 contract was approximately \$214,000.

Page 6, Acct 935: Decrease in building maintenance - FY12 included general maintenance expenses related to painting, resealing parking lot, replacing a gas line and repairs to HVAC system.

Page 5 & 6, Acct 909 and 930.10: Advertising expense for acct 909 is \$103,399 and acct 930.10 is \$2372.

Page 7, Item 330: Amount of Gross Receipts included in Sales Revenue is \$4,895,005.72

Page 7, Item 118: Does not tie to TVA Purchased Power Reconciliation. Difference of \$6,908.24 is due to miscoding of ESDP premium in December and prior year CSP charges in May.

Page 7, Item 730 - This amount ties to account 587.20.

Page 9, Acct 353: Additions with no retirement due to a few upgrades on existing substations.

Page 9, Acct 362: Additions for 2 substations - E Simpson \$2,674,364 and Meredith \$2,511,651

Page 10, Acct 390: Additions with no retirement included new walls, hot cage, drive through upgrades.

Page 10, Acct 392: Additions replaced 13 vehicles, including 3 bucket trucks at approx. \$125,000 each.

Page 16: A/R aging over 90 days for account 143 is due to the receivable from FEMA for the 2009 Ice Storm; the State of KY has completed the final review and authorized final payment as of May 2013, but funds have still not been received as of September 2013.

Page 16: Balance in A/C 142 aging over 90 days represents balances due on customer accounts that have been disconnected and ready for write off. Amounts are transferred from A/C 142 to A/C 144 Uncollectible Receivables 120 days after disconnection. Credit balance in account 142 should be applied to current aging AR balance.

Page 17, prepayments balance includes dues of \$83,975.98, \$409.82 in employee prepaid insurance and pension plan (RS funding) of \$577,269.11.

Page 26, Acct 242: The majority of the balance includes refundable contributions.

**Warren Rural Electric Cooperative Corporation**  
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**GENERAL INFORMATION (CONTINUED)**

EXPLAIN UNUSUAL INCREASES OR DECREASES IN OPERATING EXPENSES AND INCOME OVER LAST YEAR'S FIGURES; EXTRAORDINARY ITEMS PAGE 3; ITEMS MARKED \* ON PAGES 5 AND 6; AND OTHER ENTRIES TO THE ACCUMULATED PROVISION FOR DEPRECIATION ON PAGE 11.

LOC - \$8,000,000 with CFC and \$10,000,000 with CoBank

Non-electric loan outstanding - as of June 30th, PEP loan balance is \$263,595.87. This loan has been approved by TVA.

Economic Development - Warren expensed \$24,021 to acct 912 and \$8,375 to acct 930

Customer deposits are not restricted and are included in Account 131.

**Warren Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

KEY PERSONNEL		
KEY PERSONNEL	TITLE OR OCCUPATIONS	PERCENTAGE OF WAGES CHARGED TO THE ELECTRIC DEPARTMENT
DAVE ANDERSON	INTERIM PRESIDENT & CEO	100.00
ROX'ANNE GRAY	VP OF ADMINISTRATIVE & OFFICE SERVICES	100.00
DEWAYNE MCDONALD	VP OF ENGINEERING & OPERATIONS	100.00
RICK STARKS	VP OF MEMBER SERVICES	100.00
(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME EMPLOYEES: 155		

Warren Rural Electric Cooperative Corporation  
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

RETAINED EARNINGS ADJUSTMENT(S)		
Order	Amount	Description Reason
Total	\$0.00	